

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

HARBOR BAY COMMUNITY DEVELOPMENT DISTRICT

The continued meeting of the Board of Supervisors of Harbor Bay Community Development District was held on **Thursday, February 26, 2010 at 1:00 p.m.** at 700 Manns Harbor Drive, Apollo Beach, Florida 33572.

Present and constituting a quorum were:

Scott Jones	Board Supervisor, Chairman
Rip Ripley	Board Supervisor, Assistant Secretary
Tom Hatcher	Board Supervisor, Assistant Secretary
Ed Stone	Board Supervisor, Assistant Secretary

(joined the meeting in progress)

Also present were:

Jonathan Miller	District Manager, Rizzetta & Company, Inc.
John Toborg	Operations Manager, Rizzetta & Company, Inc.
Angelique Montes de Oca	Administrative Assistant, Rizzetta & Company, Inc.
Biff Craine	District Counsel, Bricklemyer, Smolker, Bolves
Karla Gibson	Representative, WTS
Audience	

FIRST ORDER OF BUSINESS

Call to Order

Mr. Miller called the meeting to order and conducted roll call. He stated for the record that correspondence had been received from Robert Daugherty and Lewis Cristoboulou. He stated that he had delivered their correspondence to the Board and that if they had any questions they could contact him.

SECOND ORDER OF BUSINESS

Review and Discussion of Draft Scope of Services for Amenity Management RFP

Discussion continued regarding the Amenity Management RFP. Mr. Miller stated that the notice of termination of services to WTS had already been delivered. He explained that it did not mean the District could not select them as the future vendor of the District. He presented the revised timeline of events for the Amenity Management RFP. He stated that the Board would be presented with the 2nd Draft of the RFP documents at the March 25, 2010 meeting. He stated the final draft would be presented to the Board on April 22, 2010. He explained that the advertisement was

scheduled to run April 25, 2010 with bids to be due on May 12, 2010. He stated that the Board would be able to make their selection during either the May 27 or June 24, 2010 meetings.

Mr. Ripley suggested the District seek community input. Mr. Miller stated that a public workshop could be scheduled. It was decided that the public workshop would be scheduled between the April 22 and May 27, 2010 meetings.

Mr. Stone joined the meeting in progress.

Mr. Miller stated that he would need direction from the Board regarding the amenity management contract. He explained that the District Coordinator did not want to work 40 hours per week, but would be willing to work 34 hours per week. Discussion ensued. It was the general will and consensus of the Board to change the contract and increase the position hours from 30 to 34 hours. Mr. Miller was directed to draft a new contract for the Board's approval and execution by the Chairman.

THIRD ORDER OF BUSINESS

Discussion and Review of FY 2010/2011 Preliminary Budget

Mr. Miller stated that the budget comprised of two parts, the operating or general fund budget and the enterprise fund. He stated that the enterprise fund had been created to keep track of those costs related to the Amenity Center. He proceeded to review various line items including District Counsel, mitigation area monitoring and maintenance, entry walls and maintenance, landscape maintenance and irrigation maintenance and repairs. He stated that the current annual budgeted amount for District Counsel fees was \$25,000. He explained that actual expenditures to-date with respect to District Counsel fees were \$27,000. He projected an amount of \$55-60,000 would be spent by year-end and that the following year's budget should reflect this amount. He stated that those costs would continue to be monitored.

Mr. Miller stated that the District had not incurred any expenditures pertaining to the mitigation area monitoring & maintenance line item. He stated he would have those funds transferred out at year-end. He stated that this line item would not be included on next year's budget, as sufficient reserves had already been established. He stated that the District had incurred no expenditures to-date on the entry walls and maintenance. He included \$10,000 on the preliminary budget for remedial work on the walls. He explained that as the District was currently undergoing the RFP for Landscaping with a new contract fee to be determined, he carried forward the numbers from last year to the preliminary budget.

Mr. Ripley stated that he would like to make sure the budgeted amount for Off-Duty Patrols was no more than \$45,000. Mr. Miller acknowledged that this item was being monitored.

Mr. Miller stated that the wetland monitoring and maintenance line item was no longer needed and therefore was removed from the budget. He stated that District Reserves were currently at \$0.00 and that with the changes reviewed, a total of approximately \$77,000 would be allocated to District reserves, which would need to be ratified by resolution which could be

drafted and presented at the next meeting.

Mr. Jones questioned whether it would be difficult to utilize the reserves if something came up unexpectedly in one of line items that funds were moved out of.

Mr. Craine stated that capital reserves were different from capital improvement reserves. Discussion ensued. Mr. Jones requested that Ms. Ackerman be notified that this resolution would be presented at the next meeting.

The floor was then opened to audience comments.

- 1) An audience member stated that the preliminary budget looked good and that it was on track to reduce costs without reducing services. He applauded the movement of excess funds into one account.
- 2) An audience member stated that Mr. Miller had done a nice job and that he did not think it was ever too early to get started on the budget process. He noted that the District was learning from its past mistakes and how to budget more accurately.
- 3) An audience member questioned whether it was the District's intent to keep surplus funds in the reserves fund.

Mr. Miller stated yes.

- 4) An audience member stated that he could not see the budget spreadsheets and that audience members should be considered when they are presented.
- 5) An audience member questioned what the difference was in the lines of the budget from this year as opposed to last year regarding Kristy and Bob.

Mr. Miller stated that last year the budget was \$120,000 and that this year \$80,000 was budgeted.

- 6) An audience member stated that they appreciated projections, but would like to see handouts.
- 7) An audience member questioned how much overall was being saved with regard to the new contract after losing a full time, employee, Mr. Smith. He stated that it sounded like the District was not getting the savings it should.

Mr. Jones explained that the contract hours were decreased from 90 hours to 64 hours. Mr. Ripley explained that the actual numbers were charged to both the HOA and CDD, which combined was \$150,000 and that the total savings were \$74,275.

The audience member asked if an answer was ever received regarding the contract premium and suggested exploring an employee leasing company, which would probably save the District about 60%.

Mr. Stone stated that he recalled that being done and that Rizzetta had a better deal.

Mr. Miller asked if there were any other comments. There were none.

FOURTH ORDER OF BUSINESS

Staff Reports

District Counsel

1. Mr. Craine provided an update on the Demand Letter for the playground pole and soil integrity. He stated that the District had not received anything. He stated that it was previously determined the District did not want to put a lot of effort into the matter.
2. Mr. Craine provided an update on the seawall litigation. He stated that depositions were underway and that they had not found anything that was contrary to their theories. He stated that the depositions on Rick Mortenson and Ramon Clarkson were partially done and that they were fact testimony not opinion testimony. He explained that the depositions were taking a long time because there were a lot of parties involved that needed an opportunity to ask questions.
3. Mr. Craine provided an update on the Delinquent Assessment Collection from First National Bank. He stated that they would be checking for that month's payment and that so far they had been making their payments.

District Engineer

Mr. Miller stated there were no outstanding matters from the District Engineer.

District Manager

1. Mr. Miller stated that the next meeting was scheduled for March 25, 2010.
2. He explained that a new debit card would be issued to Bob and requested a motion to do so.

On a Motion by Mr. Jones, seconded by Mr. Ripley, with all in favor, the Board approved District Staff to issue a debit card to be utilized by Bob for District expenditures for Harbor Bay Community Development District.

3. Mr. Miller reviewed various pending action items. He stated that the awnings were to be replaced at the pool and tennis court areas and that the pool furniture was currently being re-strapped. He explained that the washer for the fitness center had broken and that it was replaced with commercial grade equipment. He stated it was warranted for three years.

Mira Bay Clubhouse Manager

1. Mr. Gibson stated that new mulch had been placed in the playground that week and therefore it was up to code.
2. She explained that the new aesthetician machine had arrived and that it would be tested.
3. She stated that basketball monitoring would begin next week on Mondays and Thursdays.
4. She stated that that evening was Build a Burger night with burgers being sold for \$6 which included topping choices, coleslaw and chips.
5. She stated that there was also a happy hour at Outfitters that evening.

FIFTH ORDER OF BUSINESS

**Discussion and Consideration of IT
Proposals for Server Installation**

Mr. Miller stated that he wished to get further into the year before looking at something like that. He stated that an IT Cloud was being installed in another District and he wanted to see the results of the new system.

SIXTH ORDER OF BUSINESS

**Supervisor Requests and Audience
Comments**

Supervisor Requests and Comments

Mr. Stone stated for the record that he had received a four page, anonymous letter on the windshield of his car. He stated that he did not know if any other Board member had received the same letter. He stated that it intended to be detrimental to the bid process that the District was faced with for Landscaping. He explained that it questioned how the District was executing the process and its structure. He stated that at that time he had turned over the correspondence to District Counsel. He stated he felt the District should put the bid process on hold.

Mr. Miller stated that he had had a chance to look at the letter. He stated he did not think it merited the attention. He explained that the Landscape bids were due that day and that the Board reserved the right to throw them out.

Mr. Craine stated that after his initial review, he suggested that the District Staff move forward with circulating the bids that were received to the Board. He stated that should the Board determine they would like to throw them out for any reason, it could be done.

Mr. Jones stated that he didn't think there was any other way to proceed. He stated that if the contents were of such importance, it should have been signed and distributed to the entire Board.

Mr. Ripley stated that unsigned mail was the lowest of the low lives. He addressed the lights which the District was paying for on vacant property at the end of Mirabay Drive. He stated it the District did not own the property, it should not pay to light it.

Mr. Craine stated that Mr. Miller had previously written to Teco for them to turn those lights off in those areas.

Mr. Stone asked if it would create a safety or security issue out there.

Mr. Miller explained that he would like to physically visit the area with a representative from Teco.

Mr. Jones stated that the Developer was paying CDD fees on those properties. Discussion ensued.

Mr. Craine stated that he had not looked at the contract, but that it was his understanding that the District had signed a contract. He stated he did not know why those roads had not been dedicated and that they should have been dedicated to the District since technically the District had paid for their construction.

Mr. Jones stated that in order to condense the meetings, routine items should be addressed before the meeting and quickly presented at the meeting by Mr. Miller. He stated he wished to expedite the meetings in less time, but not at the expense of transparency.

Mr. Toborg stated that he would drop off boxes of the bid packages at the clubhouse for the board to pick up at their convenience.

Audience Requests and Comments

1) A resident addressed the Board regarding a summary of the bids, overspending for off-duty sheriffs, whether there was a plan if no check was received by First National Bank, and the facts pertaining to the Road lighting. He stated that the previous District Manger had send Teco a letter a year ago regarding the street lights.

2) An audience member addressed the Board regarding the permitted construction entrance at the back of parcels 21 and 22. He stated that construction would begin within the next couple weeks for the new development, Cottages of Bay Breeze.

3) A resident addressed the Board regarding the Board's evaluation of Rizzetta and WTS. He also addressed the Board regarding blocks that were sitting in the water. Mr. Miller advised him to coordinate with Mr. Toborg to provide him the information. He stated that he was troubled by the correspondence received by Mr. Stone and that trying to influence the thinking of the Board's members was serious.

4) An audience member volunteered to go to small claims court on behalf of the District with

regards to the playground matter. Mr. Craine stated he would look into that.

5) An audience member addressed the Board and wanted to thank Mr. Miller. He reported an issued with the poles that protected the barcode reader. He stated me would bring the issue to Kristy's attention.

Mr. Miller asked if there were any other comments or questions. There were none.

SEVENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Stone, seconded by Mr. Ripley, with all in favor, the Board adjourned the meeting at 2:37 p.m. for the Harbor Bay Community Development District.

Secretary/Assistant Secretary

Chairman/ Vice Chairman

DRAFT