

**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.

**HARBOUR ISLES**

**COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Harbour Isles Community Development District was held on **Tuesday, January 18, 2011, at 11:00 a.m.** at the Harbour Isles Clubhouse located at 121 Spindle Shell Way, Apollo Beach, Florida 33572.

Present and constituting a quorum:

Dan Edwards	<b>Board Supervisor, Chairman</b>
Janet Allison	<b>Board Supervisor, Vice Chairman</b> <i>(via conference call)</i>
Larry Fazzari	<b>Board Supervisor, Assistant Secretary</b>
Thomas Schramski	<b>Board Supervisor, Assistant Secretary</b>
Kevin Cross	<b>Board Supervisor, Assistant Secretary</b>

Also present were:

Greg Cox	<b>District Manager, Rizzetta &amp; Company, Inc.</b>
John Toborg	<b>Operations Manager, Rizzetta &amp; Company, Inc.</b>
Jennifer O'Brian	<b>District Counsel, Hopping Green and Sams</b> <i>(via conference call)</i>
Gene Montagna	<b>Representative, Amenity Services Group</b>
Dan Fagen	<b>Representative, Amenity Services Group</b>
Tonja Stewart	<b>District Engineer, Wilson Miller</b>

Audience

**FIRST ORDER OF BUSINESS**

**Call to Order**

Mr. Cox called the meeting to order and read the roll call.

**SECOND ORDER OF BUSINESS**

**Consideration of the Minutes of the Board of Supervisors' Meeting Held on December 21, 2010**

Mr. Cox presented the minutes of the Board of Supervisors' meeting held on December 21, 2010.

On a Motion by Mr. Cross, seconded by Mr. Schramski, with all in favor, the Board approved the minutes of the Board of Supervisors' meeting held on December 21, 2010 for Harbour Isles Community Development District.

**THIRD ORDER OF BUSINESS**

**Consideration of Operation and Maintenance Expenditures for January 2011 (\$41,471.21)**

Mr. Cox presented the Operation and Maintenance Expenditures for January 2011 in the amount of \$41,471.21 for Board consideration.

Mr. Edwards requested an explanation of the PC repair invoices. Mr. Montagna explained that something changed the configuration of the computer and it needed to be fixed. Mr. Edwards suggested that we look into other companies that may not charge trip charges if they actually perform the repair work.

Mr. Edwards also questioned if we now have the frost protection blankets and where they are so that next year they won't be charged for them again. Chris Lee with Cornerstone stated that they are being stored until they are needed. Mr. Edwards stressed that the blankets are District assets and we need to make sure we remember we have them the next time around or if we change vendors.

Mr. Fazzari questioned the three American Access Controls invoices. Mr. Montagna stated that American Access Controls came out three times to fix the same gate. He noted that since the sprinklers were redirected from spraying the gate control, there have not been other issues.

Mr. Fazzari questioned if the Ballenger invoice would be the last one since the service was to stop. Mr. Cox explained that there would probably be two more invoices that get processed and that Mr. Ballenger had not been officially asked to stop service but, would be.

Mr. Fazzari asked if anyone had contacted Brighthouse about the web page. Mr. Montagna stated that he contacted Brighthouse and learned that they do not offer this service. He stated that he had also contacted Verizon and found that they offer internet, cable TV, telephone and website service for \$135 to \$150 per month.

Mr. Fazzari questioned why some vendors are being paid in advance for services not yet performed. He referenced a Commercial Pools invoice that reflected a November invoice date for services to be performed in December. He expressed his desire that the District not pay for services until that service has been performed and verified. He also requested that he be informed when contracted services were going to perform work for the District so he can stop by and make sure the work is being done.

Mr. Fazzari questioned the invoice for Ecological Consultants for \$700 and why the invoice included the term "mowing" when he has never seen them mow. Mr. Cox stated that he would communicate with Ecological Consultants and provide a response to the Board.

Mr. Fazzari questioned why Hawkins Service Company charged the CDD for 11 light bulbs when the invoice reflected that they only replaced 8 bulbs. Mr. Cox stated that he would check with Hawkins Service to verify the right amount.

On a Motion by Mr. Edwards, seconded by Mr. Cross, with all in favor, the Board approved the Operation and Maintenance Expenditures for January 2011 in the amount of \$41,471.21 for Harbour Isles Community Development District.

**FOURTH ORDER OF BUSINESS**

**Public Hearing to Consider Rule Changes for Recreation Vehicle and Water Craft Facility Policies**

On a Motion by Mr. Edwards, seconded by Mr. Schramski, with all in favor, the Board opened the Public Hearing to Consider Rule Changes for Recreation Vehicle and Water Craft Facility Policies for Harbour Isles Community Development District.

Ms. O'Brian summarized the changes to the Recreation Vehicle and Water Craft Facility Policies for the Board. Audience comments were received by the Board. During discussion among Board members, there were several minor changes introduced to the existing language.

On a Motion by Mr. Cross, seconded by Mr. Fazzari, with all in favor, the Board closed the Public Hearing to Consider Rule Changes for Recreation Vehicle and Water Craft Facility Policies for Harbour Isles Community Development District.

Ms. O'Brian provided a final review of all changes requested by the Board before the Board adopted the rule changes.

On a Motion by Mr. Schramski, seconded by Mr. Fazzari, with all in favor, the Board approved the Recreation Vehicle and Water Craft Facility Policies, as amended at the Public Hearing, for Harbour Isles Community Development District.

**FIFTH ORDER OF BUSINESS**

**Consideration of Fishing Pier Erosion Repair and Proposals (*under separate cover*)**

Ms. Stewart introduced proposals from Cornerstone and Biomass Tech Environmental Services for the repair of erosion under the pond fishing docks. She explained both to the Board and stated that they were comparable in quality of service but that Cornerstone was less expensive at \$13,050.

On a Motion by Mr. Fazzari, seconded by Mr. Cross, with all in favor, the Board approved the proposal from Cornerstone in the amount of \$13,050, with the provision that the District Engineer bring back to the Board at the next meeting additional information regarding de-watering costs and that the District Engineer would be the individual to "sign off" on the completed project for Harbour Isles Community Development District.

**SIXTH ORDER OF BUSINESS**

**Consideration of Mulching Proposal from Cornerstone (*under separate cover*)**

Mr. Toborg presented a proposal from Cornerstone to re-mulch areas throughout the District in the amount of \$12,730. Mr. Fazzari questioned where the mulch was actually placed in the District. He provided that he felt the cost to the District was too high for something that would only look good for a couple of months. When questioned about the \$38 per yard cost, Mr. Toborg explained that this was the amount in their contract proposal and that it was not an abnormal rate. He did note that he has seen lower and some higher rates for mulching. Mr. Fazzari commented on all the dead bushes at the front entrance and how mulching around those would not make sense.

Mr. Edwards stated that what the Board wanted at this time was a revised proposal from Cornerstone to "get the front entry area cleaned up". Mr. Edwards also asked Cornerstone to consider revising its mulching rates.

Mr. Fazzari also questioned why we continue to have dead plants in the entrance area. He indicated that it does not make sense to continue to have to replace plants in the area other than the annuals. Cornerstone suggested that some of the problem may be associated with the existing non-segregated irrigation system in the shrub beds. Cornerstone also described that there continues to be a water percolation problem in the landscape area outside of the fence around the pool.

When Mr. Cox questioned what repair was needed to resolve the percolation problem, Mr. Powers of Cornerstone suggested moving plants that are not as water tolerant.

No action was taken on the Cornerstone mulching proposal.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Cornerstone Annuals Replacement Proposal**

Mr. Cox asked Chris Lee with Cornerstone to explain the history of the series of annuals proposals and changes in the amounts being charged to the District. Mr. Fazzari expressed his concern regarding how the invoices were being processed. Mr. Edwards commented that Cornerstone be more proactive in advising what plants should be used during a particular season. Mr. Lee stated that they are going to create a schedule of what annuals grow in different seasons for the Board. He also stated that they will go through each job with John or Greg to approve the counts before any billing gets processed.

Mr. Fazzari noted that we have a credit of approximately \$5,400 due to a Cornerstone over-billing for landscape work. He expressed his concern for the process of approving invoices without checking the proper completion of the work.

Mr. Fazzari suggested that the invoice for the annuals for \$2,067.50 be charged against the current credit the District has with Cornerstone. Mr. Toborg confirmed that the credit amount was \$5,374 and that this amount would be reduced by the invoice for \$2,067.50.

Regarding the earlier proposals that Cornerstone had presented for the front entrance areas, the Board asked that Cornerstone revise those earlier proposals and to include recommended revisions to the irrigation systems if deemed necessary.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Information Provided by Cornerstone**

Mr. Cox introduced an email letter from Cornerstone that included reports and schedules for the Board's review.

Mr. Fazzari questioned why the problems with irrigation in the District are now being presented to the District when the contract has been in place for a while. Cornerstone's response was mostly that they dropped the ball. Mr. Fazzari expressed concern that irrigation reports were presented by Cornerstone but problems were not identified. Mr. Powell indicated that they are digging into the irrigation problems at this time. Mr. Edwards requested that Cornerstone get more information about what the current status is of the irrigation for street trees that are in common areas.

Mr. Edwards stated that if someone is saying that they are performing a process on a monthly basis that he wants to make sure they are being performed.

**NINTH ORDER OF BUSINESS**

**Ratification of 4<sup>th</sup> Amendment to the Amenity Services Agreement**

Mr. Cox stated that the 4<sup>th</sup> Amendment to the Amenity Services Agreement had previously been approved by the Board and that it needed to be ratified.

On a Motion by Ms. Allison, seconded by Mr. Edwards, with all in favor, the Board ratified the 4<sup>th</sup> Amendment to the Amenity Services Agreement for Harbour Isles Community Development District.

**TENTH ORDER OF BUSINESS**

**Discussion Regarding Amenity Center Policies**

Mr. Cox presented the current Amenity Center policies to the Board. He stated this item was on the agenda to offer the Board members an opportunity to consider any changes desired.

Ms. O'Brian suggested that the Board consider how they want to define the Amenity Facility; determine if they wanted to examine the insurance requirements if alcohol use was permitted and if there are any other provisions they would like to incorporate into the policy.

Mr. Fazzari questioned the process for setting the fees for use of the Amenity Center by non-residents and recommended other administrative changes to wording in various places in the policies.

Mr. Edwards suggested that Board members take a look at the policies over the next few weeks and if there is anything else that the Board would like to have considered, to forward those to Ms. O'Brian and copy Mr. Cox.

Ms. O'Brian indicated that she will bring a revised policy based on comments received from the Board back to the next CDD meeting and they can further discuss proposed changes.

**ELEVENTH ORDER OF BUSINESS**

**Service Updates**

**1. Amenity Services Group**

Mr. Montagna reviewed his report for the Board. He suggested that the Board consider acquiring a new treadmill due to the age of the existing equipment. Mr. Fagen further explained the treadmill age issue and handed out a matrix that reflected various treadmill purchase options. Mr. Edwards requested that this issue be postponed to the next meeting.

Mr. Montagna suggested that the Board consider authorizing another pressure washing at the clubhouse and the guard house out front. The Board decided to postpone this item until a later date.

Mr. Montagna said that the lighting repair work with Hawkins Service Company is about 75% complete and continuing.

Mr. Cox stated that he received the Waste Services contract and forwarded to Ms. O'Brian for review. Ms. O'Brian had recommended some changes in the terms and conditions and Mr. Cox indicated he is waiting for the company's response to those changes.

Mr. Montagna stated that he is still gathering quotes for the renovation of the RV and boat storage fence. Mr. Fazzari expressed his concern about spending too much money on the fence when we can do other things to improve the appearance.

Mr. Montagna discussed that he is waiting for a quote from Commercial Pools for some work needed on the pool equipment.

Mr. Montagna noted that there was some damage to one of the No Trespassing signs and that someone had vandalized the security speaker at the basketball court.

Mr. Edwards departed the meeting at this time.

2. **Landscape (Cornerstone)**  
No report.

3. **Aquatics (Lake Masters)**

Mr. Cox stated that Aquatic Systems will start the new contract on February 1, 2011.

**TWELFTH ORDER OF BUSINESS**

**Discussion Regarding Unaudited District  
Financial Statements, December 2010 (under  
separate cover)**

Mr. Cox provided a summary of the District financials for December 2010.

**THIRTEENTH ORDER OF BUSINESS**

**Staff Reports**

A. District Counsel  
No report.

B. District Engineer  
Ms. Stewart stated that she will get with Mr. Cox and discuss the issues that she spoke about with Aquatic Systems. She will come back next month with a broader lake management plan and some new costs. Mr. Fazzari asked that Aquatic Systems come to the next meeting and give an update as to what the conditions of the pond are at that point.

C. District Manager  
Mr. Cox announced that the next regularly scheduled meeting would be held on February 15, 2011 at 11:00 a.m.

**FOURTEENTH ORDER OF BUSINESS**

**Supervisor Requests and Audience  
Comments**

**SUPERVISOR**

There were no supervisor requests.

**AUDIENCE**

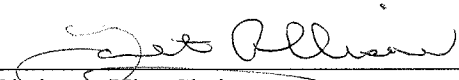
An audience member inquired about garbage in the pond where the new homes are being built in the back. He also asked if it was unreasonable for the Board to explore new landscapers. He stated that it seems every month there is another issue with Cornerstone.

**FIFTEENTH ORDER OF BUSINESS**

**Adjournment**

On a Motion by Mr. Fazzari, seconded by Mr. Schramski, with all in favor, the Board adjourned the meeting at 1:57 p.m. for Harbour Isles Community Development District.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman