

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 **Thursday, October 4, 2012, at 6:00 p.m.** at the Harbour Isles Clubhouse located at 121 Spindle Shell Way, Apollo Beach, Florida 33572.

Present and constituting a quorum:

Larry Fazzari	Board Supervisor, Chairman
Janet Allison	Board Supervisor, Vice Chairman
Kevin Cross	Board Supervisor, Assistant Secretary
Gregg Letizia	Board Supervisor, Assistant Secretary

Also present were:

Greg Cox	District Manager; Rizzetta & Company, Inc.
Darryl Singh	Property Manager; RASI
Biff Craine	District Counsel; PWCWP, LLC

Audience

FIRST ORDER OF BUSINESS

Call to Order

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

SECOND ORDER OF BUSINESS

**Business Administration – Part I:
Consent Agenda Items**

Mr. Cox presented two consent agenda items to the Board for consideration:

- A. Consideration of Minutes of the Board of Supervisors' Meeting held September 18, 2012Tab 1
- B. Consideration of Operation and Maintenance Expenditures for September 2012.....Tab 2

On a Motion by Mr. Fazzari, seconded by Mr. Letizia, with all in favor, the Board approved Consent Agenda items A and B as presented for Harbour Isles Community Development District.
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Mr. Fazzari stated for the record that Mr. Cox saved the District about \$22,000 on its insurance for the 2012-2013 year. Mr. Cox explained record-keeping of homeowners' addresses.

THIRD ORDER OF BUSINESS

Staff Reports and Updates – Part I

A. Aquatic Service Update

Josh McGarry of Aquatic Systems, Inc. gave an update on recent events and maintenance to the Board. He confirmed that 35,000 gambusia fish were stocked in September to help with midge fly control and reported that in a recent midge fly survey of the perimeter of the large pond, #14, they only found four larvae. He noted they found many more midge flies coming from standing water on an empty lot in the northwest edge of the property, stated they will monitor the activity, and described applications they could use in that area if necessary. Mr. Letizia said only recently there seem to be many midge flies in his area.

Mr. Fazzari asked Mr. McGarry if there is anything to be done about invasive lettuce plants and/or duckweed in the wetland area. Mr. McGarry said they have inspected the area twice and performed two applications with success, and once the lettuce and duckweed completely die out and the water levels are good he and his team will be installing the aquatic plants as previously approved by the Board.

B. Security Services Update

Patrick Farrow of Excelsior Defense, Inc. provided a brief update to the Board of security items since the last meeting was held. Mr. Letizia described a recent incident in which two new K.Hovnanian homes on Cockleshell were stripped of all their wiring. Mr. Farrow introduced Wayne Buchanan, new staff member and retired Tampa police officer who will be on duty in the community.

C. Landscape & Irrigation Update

Joe DeBusk of LMP provided an update of recent maintenance and upcoming events in the District, including fertilization treatments and monitoring of the tennis court area, and recent planting proposals being submitted for approval. Brief discussion ensued regarding trees and weeds on County-owned land which are encroaching onto District property. Mr. Fazzari indicated he had spoken with Mr. Toborg about contacting the County to get them to handle maintenance of the area. Mr. Cox will follow up with Mr. Toborg.

LMP's proposal for installation of five water/hose connections at the gazebos was then briefly discussed.

On a Motion by Mr. Cross, seconded by Mr. Fazzari, with all in favor, the Board approved the proposal from LMP for five water/hose connections at the gazebos in the amount of \$914.56 for Harbour Isles Community Development District.

Mr. Cox then presented the previously discussed landscaping contract renewal addendum to the Board for consideration.

On a Motion by Mr. Fazzari, seconded by Mr. Cross, with all in favor, the Board approved the addendum to LMP's contract providing for a one-year extension of services, through September 30, 2013, for Harbour Isles Community Development District.

D. Design Architect Proposal Review

Mr. Cox discussed a proposal he received from Urban Studio which he will provide to the Board for consideration in comparison with the proposal from JAH Architect. Mr. Cox also said there is an Atlanta firm that will be submitting a proposal very shortly as well. Mr. Fazzari stated his opinion that if the two current quotes are indeed "apples to apples", that JAH's proposal would seem to be the better deal and that there is probably no need to obtain more quotes. The rest of the Board agreed.

E. District Counsel

Mr. Craine said he advised the County that the District is investigating the possibility for assuming responsibility for the roads and assuming title back from the County for all the rights-of-way in order to control access to the community. He also spoke with Mr. Cox about the insurability of the guardhouse, and Mr. Cox told him the District's insurance provider had raised an issue that the District does not have an insurable interest in the guard house since it is not on District property. In turn, Mr. Craine is working on formulating an agreement for right-of-way responsibilities and maintaining insurance on the guard house property for such period of time until they actually get back ownership through the right-of-way vacation process. Mr. Letizia asked Mr. Craine to confirm that the guardhouse [area] has been included within the District's insurance policy but if an event occurred the guardhouse [area] would not be covered. Mr. Craine said that is correct, which is why he and Mr. Cox are working to change that with the maintenance agreement he is in process of drafting. Mr. Craine also said the County doesn't really want any of the responsibilities of the guardhouse so he sees them having no issue with signing over maintenance of the area to the District. Mr. Fazzari then asked what the significant difference is between the maintenance agreement and vacation of the property. Mr. Craine replied the difference is that the agreement can be done at a staff level; it does not have to go before the board of County commissioners. General discussion continued regarding insurance coverage concerns. Mr. Craine confirmed that the agreement will include maintenance of insurance on the property and the guardhouse structure, and once the property is ceded back to the District from the County, the agreement becomes moot and by its own terms dissolve.

Mr. Craine then spoke about looking into support especially among the large property owners and what basis the support would have. Mr. Cox said he has not received any feedback at the resident level but has received communication from the developers/builders. In an email to Mr. Cox, Greg Gardner of Brookwood (23 lots) said if a petition were to circulate now they would sign it. Suarez Homes (52 lots) also would sign the petition but with the caveat that fees would remain "reasonable". K. Hovnanian Homes (47 lots) said they would not support the petition due to the potential cost increase to homeowners.

Mr. Fazzari said the greater concern he has is they know the threshold of approval needed is 400 signatures on the petition, 80% of 500 households. His concern is that they sent out 350

mailings, give or take, informing residents of the need to obtain new amenity access cards and that even with allowance for as many as 50 returned mailings, there were only 176 access cards created for residents which is less than half of the community expressing interest in something of benefit to them. Mr. Fazzari stated he does not believe the Board would get sufficient support and suggested holding off on the Board's attempts at gating the community until such time that there is hopefully more support given from the residents and less needed from the developers, perhaps a year down the road. Mr. Letizia agreed. Mr. Craine said if that is the Board's position then they might want to change the vacation petition to reflect only the guardhouse area up front, which can be done in just a couple of months, and forego the maintenance agreement. General discussion regarding soft gates and entrance closure continued. The Board confirmed their request for Mr. Craine to refocus the vacation petition on only the front guardhouse structure and property.

Mr. Fazzari then spoke about Mr. Singh having to spend time tracking subcontractors who are encroaching on and damaging and dumping on common property and asked Mr. Craine what recourse the District has with that. Mr. Craine said not much, without having police around to find, arrest and detain the offender(s), and suggested having vendors place a deposit could be one remedy; he also said County code enforcement could be called but that is a much lengthier process and therefore not effective. General discussion ensued regarding options such as towing and also regarding trespassing in the community. Mr. Craine confirmed that there is a trespass order on file with the County sheriff's office but the biggest difficulty in enforcing the order is that because HCSO is not employed by the District, the deputies are not out there on a regular basis and in order to write the trespass up, the deputy actually has to see it happen. Ms. Allison asked about the incident of County code enforcement threatening to fine LMP while installing plants. Mr. Craine said he has not yet heard back from Jim Blank, head of the code enforcement department, which leads him to believe it was not actually code enforcement staff who logged a complaint in the system, and until the District receives formal communication from the County, he doesn't think the Board needs to do anything about it.

F. Projects Update Discussion

Mr. Cox reviewed the list for the Board, checking off items which had already been covered at the meeting thus far. Mr. Fazzari questioned the project of building a new amenities center, suggesting that they build a new playground and tennis court area and reallocate the rest of the funds towards capital reserve for roadways maintenance instead. Mr. Craine said community roadways are indeed a very low priority on the County's list of maintenance items. Discussion ensued regarding roadway maintenance needs and costs and also about the possibility of achieving the 80% approval rate required to gate the community. Mr. Letizia basically agreed with Mr. Fazzari but said they should still have an architect draw up the schematic designs for a new amenities center, playground and tennis court area.

On a Motion by Mr. Letizia, seconded by Mr. Fazzari, with all in favor, the Board approved the proposal from JAH Architect for amenities center schematic design plan services for Harbour Isles Community Development District.

G. Property Management Update

Mr. Singh presented the monthly update of recent improvements and events in the District. He expressed concern about the guardhouse pillars not being visible and suggested contacting the County to have reflective material (tape, reflectors, etc.) applied to them; the Board and Mr. Craine advised him to just go ahead and take care of it. He also confirmed that Suarez Homes brought in dumpsters and has been better at property cleanup, getting quotes for pressure-washing the RV lot fence, the new access card system and resident participation, and purchase of a posting board. Mr. Singh also advised he consulted with Daniel of DCSI about backing up the security system and they found that the database cannot be backed up with the current software. For now he found a way to save the data on the hard drive but not the pictures. DCSI said an additional software upgrade can be purchased for \$400 that will take care of it. The Board understood and authorized the purchase. Mr. Cox will get with the accounting department to increase Mr. Singh's debit card limit in order to accommodate the purchase.

Mr. Letizia then asked about resident feedback from when they came to the clubhouse to get new access cards. Mr. Singh reported that residents have a problem with spouses not being able to share cards (due to photos now being included); the amount of guests allowed per person and per age restrictions; and guest access during the week when the resident/host is at work, for example, or for babysitters. He and Ms. Evans came up with the idea of offering a temporary guest pass available for a nominal fee and to be used during restricted (daytime) hours when staff is present. Discussion ensued. Mr. Cox suggested that staff work on the idea and they will come up with a plan for the Board to consider. Mr. Craine noted that parents should sign a form designating in writing who the nanny/sitter is and giving consent for that person to obtain a card.

Mr. Letizia asked about walking path lights. Mr. Singh said he has two quotes but he is not happy with them and is working on obtaining more, hopefully by the end of October. Mr. Singh then advised that Paul, his assistant, has obtained full-time employment but is being retained by RASI as a substitute.

Mr. Letizia mentioned the problem of residents bringing grills to the amenity center. Mr. Singh advised that more people would rent the clubhouse for parties if their guests were allowed outside, i.e. not so much to actually swim but to enjoy the poolside tables and chairs.

H. District Manager Update

Mr. Cox announced the next regular meeting will be held on November 1st at 11:00 a.m.

Mr. Fazzari discussed getting a part-time property management assistant for Mr. Singh, suggesting the insurance money saved would help offset the cost, and asked about hiring someone on an interim trial basis. Discussion ensued. Mr. Cox will speak with Ms. Evans regarding rate, length of employment, job duties, and other contractual items.

On a Motion by Mr. Fazzari, seconded by Mr. Letizia, with all in favor, the Board approved the hiring of a part-time assistant to the property manager for a three-month period at a rate coordinated with RASI and approved by the Chairman for Harbour Isles Community Development District.

Discussion ensued regarding purchase and installation of a marquee sign. Mr. Cox will bring back some options and suggestions for consideration at the next meeting.

FOURTH ORDER OF BUSINESS

Consideration of Amenity Guideline Amendments

Mr. Cox presented the revised amenity guidelines to the Board for consideration as written by Ms. Evans and Mr. Craine, summarizing the changes as prohibiting grills; giving on-site management the authority to interpret and enforce the guidelines; and under the "Immediate Suspension & Removal" section, giving any Board supervisor (rather than just the chairman) the right to do so. Mr. Cox suggested adding the date of amendment to the document. Mr. Craine asked about another change he had requested to add under the general provisions section regarding "real or potential threat to the health, safety or welfare of the Harbour Isles community or facilities". Mr. Cox read the addition aloud and confirmed that would be included as well.

On a Motion by Mr. Letizia, seconded by Mr. Fazzari, with all in favor, the Board approved the amenity guidelines as amended for Harbour Isles Community Development District.

Brief discussion was held regarding guest passes for underage babysitters. Mr. Craine said minor babysitters are not being targeted; rather the point of the guess pass is to accommodate a regular au pair or someone similar.

FIFTH ORDER OF BUSINESS

Supervisor Requests

Mr. Letizia brought up the past event of a resident on Hope Bay Loop who had a leak and no one was sure if it was an irrigation line or a reclaimed water line, but it was fixed by someone. He noticed the resident's whole front lawn is wet again and asked Mr. Cox to contact the District engineer to find out who fixed it so it can be fixed again.

SIXTH ORDER OF BUSINESS


Audience Comments

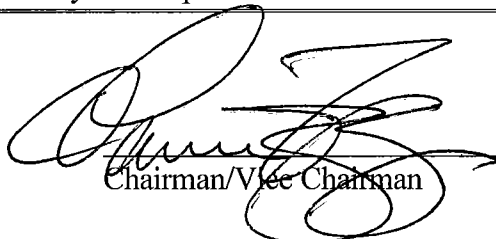
There were no specific comments from the audience except one who said she is happy.

SEVENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Letizia, seconded by Mr. Cross, with all in favor, at 8:30 p.m. the Board adjourned the meeting for Harbour Isles Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman