

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, September 18, 2012, 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:

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.
Tonja Stewart	District Engineer; Stantec
Darryl Singh	Property Manager; RASI
Kelly Evans	Manager; RASI
Biff Craine	District Counsel; PWCWP, LLC
Tyree Brown	Operations Manager; Rizzetta & Company, Inc.

Audience

FIRST ORDER OF BUSINESS

Call to Order

Mr. Cox called the meeting to order and read the roll call. Mr. Fazzari stated for the record that it is illegal in the state of Florida to bring a firearm to a government meeting, even if the gun owner has a concealed weapons permit.

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 August 21, 2012.....Tab 1
- B. Consideration of Operation and Maintenance Expenditures for August 2012Tab 2

On a Motion by Mr. Fazzari, seconded by Ms. Allison, with all in favor, the Board approved Consent Agenda items A and B as presented for Harbour Isles Community Development District.

Mr. Fazzari commended Mr. Cox for saving the District \$500 on the backflow prevention device inspections.

THIRD ORDER OF BUSINESS

Staff Reports and Updates – Part I

A. District Counsel

Mr. Craine gave an update on the vacating process. He said there was a meeting scheduled with all the agencies of Hillsborough County and for no announced reason, without any explanation, the Planning Commission representatives did not show so he will have to deal with them individually. Mr. Craine advised that prior to dealing with them there was discussion with County staff with regard to the roadways in communities and there has been a shift in their thinking. As the County commission has been struck by budgetary problems, their new philosophy is that they would be happy to give roadways back to communities without cost except there is a statute that would have to be followed. The statute provides that if the District gets 4/5 of the property owners in the community to agree to the petition to vacate all of the roads, then the County will process this like a vacation and the District wouldn't have to pay any additional fees, it would just have to amend the petition that's already been filed. The County would return the roads to the community but under statute the County can only return roads to a homeowners' association, not to a CDD, so the District would have to work with the HOA on that. He also advised that with ownership of the roads comes the responsibility for maintenance of the roads and sidewalks and such. Mr. Craine stated he wanted to bring this up to see if the Board had thoughts of pursuing a broader plan of having Harbour Isles becoming a truly gated community where the District would absolutely control access in and out of the community rather than providing enhancements to the appearance of security. Mr. Craine then asked Ms. Stewart to give some basic numbers and information to the Board for consideration, as she has attended all the meetings with him.

Ms. Stewart explained that when ownership of roadways is taken over, responsibility for maintenance of the roads including curbing, trees, sidewalks, under-drain, etc. is inherited. Based on current proposals she has for other communities, she estimated that over a period of the twenty years that the District's roads are designed for, the District is probably looking at a figure of approximately \$1.2 to \$1.7 million with the consideration of a very volatile petroleum market which prohibits any pricing guarantee but gives a general range. She indicated that funds would be reserved and recommended that maintenance work be done in phases. Ms. Stewart then discussed the issues related to ownership of the roads, giving general information on items such as street resurfacing, drainage, and tree root growth.

Mr. Fazzari expressed his concern about conveying roads to the HOA and discussed the reasons behind his concern, asking why the statute limits conveyance of roadways to the HOA only (which owns no property in the District and has no funds) and if the HOA could then cede the roadways/property to the District as it did nine years ago.

Mr. Craine said he does not know why the statute limits conveyance to HOAs only and not to CDDs especially since a CDD is the superior entity on a tax level, and that the workaround for that is to enter into a roadways maintenance funding agreement with the HOA. The HOA receives title of the roadways from the County and then the HOA can give the title to the CDD.

Mr. Fazzari discussed the 80% approval rate. He doesn't know how many lots the developers currently own but if they own 100 or more lots and since 80% of 500 households is 400, if the developers are not in a total agreement to allow this to go forward then it doesn't pay for the District to do anything. Mr. Craine agreed. Mr. Fazzari asked about maintenance of the sewer. Ms. Stewart said responsibility of the water and the sewer systems would remain with the County.

Mr. Fazzari asked about the general millage rate and if there was any mention of a refund, no matter how small, should the County no longer be responsible for maintenance. Mr. Craine said that specific was not discussed but he thought probably not. Mr. Fazzari said then in that case, the homeowners would be paying a small part of their taxes toward road maintenance when they would not benefit from it in any way. Mr. Craine disagreed and explained that the maintenance money is all in one big pot and is spent on maintenance of all public County roadways on which residents drive.

Mr. Fazzari then asked if they went forward with the project, that Harbour Isles would truly become a gated community and the District owns the roads and the right-of-way, does that not then allow the District to establish policies related to the roadways? He gave examples such as on-street parking, speed limits and local enforcement of speed limits. Mr. Craine said those powers could be had only through the HOA's deed restrictions and enforcement of those covenants. He further advised that at some point in time when the bonds are paid off it is likely that the District would be dissolved and all of the assets and such would be returned to the HOA in time anyway as there would be no further need for the functions of a CDD.

Mr. Fazzari surmised then that what it comes down to is that if the community truly wants to be a gated community, it will not come without a cost and suggested that before they proceed, they need to get a sense of whether they could reach the required 80% threshold right off the bat based on what the developers decide. Mr. Craine stated the mechanism is to have 80% of the property owners join the petition to vacate the roadways and said that in terms of looking at the community as truly gated, there are marketing advantages and property value enhancements and long-term investment in helping reduce security costs with regard to the entrances now.

Mr. Letizia voiced his concern about this all taking place as long as the HOA is controlled by the developers and not by the homeowners, with the homeowners not having any say in things. Mr. Craine advised of Board turnover measures and stated he doesn't foresee any type of long-term control issues with regard to the HOA. Mr. Letizia asked hypothetically if they get the 80% approval and the HOA is controlling the roads, the sidewalks, etc., then what is the HOA's role in overseeing or going into this with no funds for it, are they controlling their own budget for doing these things and does the CDD have any say in it? Mr. Craine advised there would have to be a funding agreement between the CDD and the HOA and said he looks at the HOA as an inconvenient necessity because of the statute governing the situation and explained again the necessity of the whole arrangement. Discussion continued about getting 80% approval. Mr. Craine

confirmed the vacation application does not expire and has no deadline. Mr. Fazzari asked Mr. Cox to contact representatives of the developers and builders and Mr. Craine will coordinate with him.

Mr. Cox asked if there were any further items for Mr. Craine. Mr. Letizia reported that he had sent Mr. Craine some notes regarding the new plantings that were done on the common property on Sandy Shell. He said he got a call from a resident who was quite agitated with the new plantings and made the comment that if the plantings were not maintained in a proper way, that they would have to be brought to the next level. He interpreted that as someone saying they were going to hire a lawyer and sue the Board for putting in those plants and bushes on common property, and had notified Mr. Craine and Mr. Cox of the situation and his opinion. He said someone else then must have called the County about the plantings and said there was landscaping being done on County property because yesterday a County inspector came out to the site and informed LMP employees that they needed permits and could be given violations and/or fines. Mr. Letizia said it is obvious that the County inspector made a visit without doing their homework and now there are residents who are emotionally upset that the plantings were done.

Mr. Fazzari advised he knows of two residents who emailed him three months ago and guessed that these are the same two residents who called the County. Mr. Fazzari asked what exactly the residents are upset about, to which Mr. Letizia replied that the residents' view of the lake will be blocked by the plants/shrubs and that they will not have access to the water. Mr. Fazzari advised that when the residents emailed him three months ago, he advised them to attend the June or July meetings to express their concerns and neither resident showed up at either meeting. He said LMP is doing a good job and wondered why when Mr. Singh has contacted the County over and over about the construction trash issue, no one has shown up to investigate. He wanted to ask for the record that, between the leaked internal memo and the fact that the inspector threatened fines against the District for putting plants on its own property, he would like to have the name of the inspector who visited the property and said he would hope that there is an official record of the complaint which prompted the visit. Mr. Craine will contact Code Enforcement. Mr. Fazzari said he has no problem with residents contacting the County but he will not accept intimidation and threats, especially when the County doesn't even seem to know where its property is and isn't.

Mr. Cox then stated he would like to skip ahead to other vendor reports so that they can give their presentations and not sit through the entire meeting if other topics run long.

B. Landscape & Irrigation Update

Mr. Cox prefaced the landscaping report by informing the Board that the landscaping contract with LMP is due to expire at the end of the month and requires a renewal in writing, and the 1-year renewal requires Board approval. He also noted that the contract includes a 30-day termination notice should the Board wish to do so.

<p>On a Motion by Mr. Letizia, seconded by Mr. Fazzari, with all in favor, the Board approved a 1-year renewal of the contract with LMP effective October 1, 2012 and ending September 30, 2013 for Harbour Isles Community Development District.</p>

LMP district branch manager Mark Grover spoke briefly, noting an upcoming fertilization event as well as the regular irrigation inspection. He confirmed that the right-of-way plantings are complete. Mr. Brown then presented his operations report to the Board and briefly reviewed it. Mr. Fazzari complimented Mr. Brown on the report and the work done on Hope Bay Loop. Brief discussion ensued about getting a proposal to add the Hope Bay Loop trim work to LMP's contract.

Mr. Cox then presented a proposal to exchange the 6' spray heads with 12' spray heads and also to replace 45 nozzles and Mr. Letizia explained it to the other Board members. Discussion ensued. Mr. Fazzari expressed his concern about getting credit for all the 6' spray heads since they were only just recently installed. LMP will rewrite the proposal for presentation at the next meeting.

Mr. Fazzari then discussed communication he had received from a resident who asked about landscape enhancements for the fence around the RV/boat storage lot and asked Mr. Cox about a budget allowance for a project like that. Mr. Cox replied there is already a line item that could accommodate the expense. Mr. Cox and Mr. Brown will consult with John Toborg and LMP to develop a proposal of appropriate plantings. Mr. Fazzari asked for two proposals, one for taller landscaping to hide/enhance the fence and another for more decorative plantings at the entranceway. Mr. Fazzari then mentioned communication he received from a homeowner whose property is next to a conservation area and asked about landscaping behind there. Mr. Cox will reply to her.

C. Project Update Discussion – Security Cameras & Monitoring Service

Mr. Cox introduced Rob Cirillo of Securiteam who had submitted a proposal and information on his company to the Board for consideration. Mr. Fazzari asked about retainment of video surveillance; Mr. Cirillo advised the data would be stored on the District's own server. He also explained which areas would be live-monitored and which would be recorded and therefore more forensic in nature, as shown in the proposal. Mr. Fazzari and Mr. Letizia asked general questions about Mr. Cirillo's proposal regarding monitoring, service fees, warranties and the placement and function of the suggested cameras.

Mr. Cox then introduced Tom Swain from Envera, the District's current security system company, who was there to present his proposal to the Board. He answered questions from the Board regarding the type of monitoring performed, billing and service hours, upgrades installed and other information.

General discussion ensued regarding the differences between the two proposals. The Board directed Mr. Cox to obtain a proposal from Envera that matches the comprehensive scope of work presented by Securiteam in its proposal.

D. 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. He noted an incident in which deputies made the security officer aware of recent construction site thefts, which prompted discussion of an unmarked box truck in the community.

Mr. Farrow asked the Board how forward they want the security officers to be in their approach or inquiry of suspicious vehicles. Discussion ensued. Mr. Letizia asked Mr. Cross if there are times when his builders typically would be working on a home or having deliveries made at 8:00 p.m. or later, to which Mr. Cross replied no. Mr. Letizia then spoke about contacting Suarez Housing or William Ryan Homes with the same question. Mr. Fazzari discussed when to call 911 and whether or not the security officers contact HCSO for backup.

E. District Engineer

Ms. Stewart asked if the cul-de-sac issue with the dip in the road was resolved, to which Mr. Singh replied no. Ms. Stewart confirmed with the Board that the County's sewer installation contractors created the problem so she will contact the County to get a site inspection done. Ms. Stewart also stated she evaluated the landscape maintenance map and realized upon receipt of the drawing file of the community from the engineer of record's office, that the plat is indeed different. She spoke about differences in easement areas and such and advised she is developing a new map of the District for future use.

Ms. Stewart also stated she contacted Suarez Housing about construction-related trash pickup. Ms. Evans and Mr. Singh asked Ms. Stewart about fixing flooding of the driveway to the RV/boat storage area. Ms. Stewart will make an inspection and create a plan for a stronger foundation and better surface.

i. Consideration of Architect Services Proposal

Mr. Cox introduced discussion of the architect services proposal and informed the Board he received very positive reviews from JAH Architects' references. He also spoke about the difficulty in finding other prospects for consideration as the project is looked at as rather small to many companies. Ms. Stewart indicated she may have one or two contacts who may be interested in the project and that the Board may want to consider. The Board asked staff to obtain a proposal from at least one of the other firms for consideration. Discussion ensued.

ii. Review of Projects Fact Sheets

Mr. Cox then briefly reviewed with the Board the project fact sheets which hadn't already been discussed at the meeting thus far. Ms. Evans updated the Board on the new access card security system recently installed at the amenity center and letters that were sent to the residents regarding the registration process for obtaining new identification cards. Mr. Craine asked about providing a survey form regarding roadway conveyance that residents can fill out when they go to the club house to obtain their new ID cards. He will provide that to Ms. Evans.

F. Aquatic Service Update

Mr. Cox presented the latest aquatic services report on behalf of Josh McGarry of Aquatic Systems, Inc. who was unable to attend the meeting. Mr. Cox advised the gambusia were stocked and that aquatics staff will be airboating the wetland areas and plantings should be completed next week. Mr. Letizia asked Mr. Cox to ask Mr. McGarry if he has looked at the midge traps recently as there was a sudden explosion of midges at the ponds.

G. Property Management Update

Mr. Singh presented the update of recent improvements and events in the District. He indicated the new treadmills were installed and are working fine and the new access cards will be very distinct, utilizing specific colors for vendors, staff, owners, tenants and minor residents. Mr. Singh asked the Board about unlocking the gates once the new card system is implemented and advised the gate hinges will have to be replaced once that is done. The Board voiced their approval of that maintenance item but requested that the gates remain closed and locked since that seems to be directing the flow of traffic better.

Mr. Singh then asked the Board's opinion on the purchase of some small grills for the residents' use outside the pool area. Mr. Fazzari advised that would propagate residents bringing food into the pool area which is prohibited and suggested creating a picnic area. Mr. Cox advised the rules do not specifically prohibit grills being brought into the pool area. Mr. Letizia suggested adding extra rules to the guidelines regarding items and activities which are prohibited within the pool area. Mr. Craine agreed and stated the guidelines can be amended without a public hearing since it does not affect rates or fees. Mr. Cox will work with Ms. Evans to develop the language to be added for consideration at the next meeting.

Mr. Singh indicated that pressure washing will be started the next week. Mr. Letizia asked him to make sure the vendor cleans the walking path on the side near the playground.

Mr. Letizia asked about the lights. Mr. Singh advised he has two quotes that are quite high. Ms. Evans advised more information will be presented at the next meeting.

H. District Manager Update

Mr. Cox announced the next regularly scheduled meeting is set to be held on October 4, 2012 at 6:00 p.m. Mr. Fazzari asked if TECO had ever gotten back to Mr. Cox regarding lights on 12th Street. Mr. Cox replied no and will follow up again with them.

FOURTH ORDER OF BUSINESS

**Presentation of Unaudited District
Financial Summary**

Mr. Cox presented the latest unaudited District financial summary as of August 31, 2012 for the Board and reviewed it with them. General discussion ensued.

FIFTH ORDER OF BUSINESS

Supervisor Requests

Mr. Letizia spoke about page 16 of the amenities guidelines regarding immediate suspension and removal and asked that the wording be amended to reflect (in addition to the District manager and property manager) that any Board supervisor, not just the chairperson, be allowed to immediately suspend or remove an adult patron of the amenities facilities as specified in that section because Mr. Fazzari is not always available. Mr. Cox will have that changed to present for approval at the next meeting along with the other guidelines changes requested.

Mr. Fazzari related the recent post which suggested that a Board supervisor was using the security cameras inappropriately, which is illegal and an invasion of privacy and stating that since he is a licensed security guard then he should have camera access as well. Mr. Fazzari stated simply that he is not going to use a social network to respond to complaints or accusations and if anyone wants to impugn the integrity of a Board member he will deal with it at a public meeting. It was a Board decision that the Board member be granted access and the fact that the person is a licensed security guard does not give that person special powers.

SIXTH ORDER OF BUSINESS

Audience Comments

Christine Bachand spoke about petition-signing issues, stating that most people won't answer their doors for a person with a clipboard that they don't recognize as a neighbor, and asked that petitions be publicized so residents realize what's going on and can participate readily.

Betty Fantauzzi stated there is still lettuce leaf in the ponds and she hasn't seen Aquatic Systems out there. Mr. Fazzari tried to determine if it was lettuce leaf or duckweed about which she was speaking. Mr. Cox will check with Mr. McGarry. Ms. Fantauzzi also asked about whitewashing or staining the fence.

A gentleman stated there is a blind spot to the left and right at the stop sign on Sandy Shell. Mr. Fazzari confirmed, indicating that the shrubbery which was once dying seems to have grown back even more. Mr. Cox will contact LMP to have it cut back.

A second gentleman asked about security hours and unknown vehicles such as the box truck mentioned earlier entering between 3:00 a.m. and 7:00 a.m. when it is still dark out.

A third gentleman advised there is a ton of confusion regarding security and gating the community and stated that a direct letter explaining the whole process should be given to the homeowners or it will be a nightmare when petitions are begun. Also, he agreed with Mr. Fazzari in that some of the items posted on the social forum are absolutely ridiculous. Mr. Fazzari advised they have done direct mailings for other things, web posts, requesting emails to send news and asked repeatedly that people attend meetings, and they don't and that the Board tries in every way possible to communicate with the residents.

SEVENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Fazzari, seconded by Mr. Letizia, with all in favor, at 2:10 p.m. the Board adjourned the meeting for Harbour Isles Community Development District.

Secretary/Assistant Secretary

Chairman/Vice Chairman

DRAFT