

MINUTES OF MEETING
HARBOR BAY
COMMUNITY DEVELOPMENT DISTRICT

The continued meeting of Harbor Bay Community Development District Board of Supervisors was held Tuesday, May 29, 2001 at 11:00 a.m. at the offices of Terrabrook, located at 3505 Frontage Road, Suite 145, Tampa, Florida 33607.

Present and constituting a quorum were:

Mike Dady	Board Supervisor
Kathy Jacobs	Board Supervisor
Mike Price	Board Supervisor
Brian Sewell	Board Supervisor

Also present were:

Pete Williams	District Manager
John McKay	Financial Advisor
Toxey Hall	District Engineer
Jonathan Johnson	District Counsel
Ann Eppinger	Bond Underwriter
Lydia Brown	Bond Underwriter
Danny Tyler	Bond Counsel (joined meeting in progress)

FIRST ORDER OF BUSINESS

Call to Order

Mr. Williams called the meeting to order and stated that this is a continuation meeting for the preliminary special assessments and the consideration of the resolutions necessary to declare them. The Geotechnical Engineering proposals were received by 9:00 a.m. today, and we are asking the District Engineer to go through them and give a presentation at the next Board meeting.

SECOND ORDER OF BUSINESS

Presentation of Preliminary Special Assessments

Mr. Williams stated that the first item on the agenda is the Preliminary Special Assessments presentation. Mr. McKay stated that he had passed out the Preliminary Special Assessments Allocation Report for the Series 2001 bonds. This report relates to the proposed financing of infrastructure improvements for the District, which contains a total of 1,650 residential units and 36.6 commercial or retail acres. The District proposes to issue Special Assessment Revenue Bonds to finance the construction of a portion of the \$51,654,393 total project improvements. This portion of the improvements is defined as Series 2001 Improvements. The assessments levied on the benefitted parcels to repay the Series 2001 bonds will be referred to as long-term assessments and short-term assessments. The cost of the Series 2001 total project improvements is estimated to be \$51,654,393. The Series 2001 improvements,

which include cost incurred to date and costs that are anticipated to be incurred through the year 2002, are estimated to be \$22,415,006. This is the amount that will be financed with the proceeds of these two bonds. The balance of the improvements are anticipated to be funded with future bond issues or funded directly by the Developer.

The improvements will be financed with Series 2001A long-term bonds, which will be secured by 302 residential units and 22.4 commercial and retail acres. Also, Series 2001B short-term bonds, which will be secured by all the lots and all of the commercial and retail acres in the project. The 2001A bonds will finance approximately \$2,558,275 of the Series 2001 improvements and the bond will be in a par amount of \$3,810,000. The annual debt service of \$314,781 (including principal and interest) is based on a 7 ¼% coupon rate and 28 months of capitalized interest. When we adjust for early payment discounts and tax collector fees (each at 4%), the total long-term assessment is \$342,153. The detail of the 2001A bonds is on table 3.

The 2001B bonds will finance approximately \$19,856,731 of the 2001 improvements. The bond will be in a par amount of \$25,220,000 and the annual debt service (which is interest only) up until the last payment is \$1,639,300. This is based on a 6 ½% coupon rate and 16 months of capitalized interest. The last payment in May 2011 will include the maturity of any outstanding principal. This bond will have a 10-year maturity. The details are on table 4.

It is anticipated that in the next couple of years there will be another bond issue that will be secured by the remaining lots that were not secured by a long-term bond in this issue. The assessments will be allocated to the parcels based on the benefit received from the improvements. The initial allocation will be to the various product types using total Equivalent Residential Units (ERU's) for each product type as a percentage of total ERU's for all product types within the District. The subsequent allocation will be to each lot within each product type on a prorata basis. We take the total assessment allocated to a particular product type and divide it by the number of units in that product type. Page 7 shows how the assessments are allocated to each lot. Table 5 shows the assessment allocation for the long-term bonds. It is secured by 302 single-family or duplex lots and 22.4 commercial retail acres.

Mr. Johnson stated that the Board will review this document and it will be discussed in further detail at an upcoming meeting.

THIRD ORDER OF BUSINESS

Consideration of Resolution 01-04 Declaring Special Assessments

Mr. Johnson stated that the next item of discussion is to consider the resolution to declare the special assessments. The amount to be filled in is \$29,030,000. The District Engineer previously presented an Engineer's Report. Mr. Hall stated that table 1 on sheet 9 shows the costs and the written descriptions for the sub-items can be found on pages 2-5. This is basically the same information that was presented to the Board last month. Mr. Johnson asked if there were any questions. Hearing and seeing none, Mr. Williams asked for a motion to approve.

On a MOTION by Mr. Sewell, seconded by Ms. Jacobs, with all in favor, the Board approved Resolution 01-04 for Harbor Bay Community Development District.
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FOURTH ORDER OF BUSINESS

**Consideration of Resolution 01-05
Setting a Public Hearing**

Mr. Johnson stated that the next resolution the Board needs to consider is the one to set a public hearing. We are looking at the week of July 2 to hold this meeting. After a brief discussion the Board decided on July 9, 2001 at 10:30 a.m. to hold the public hearing at Terrabrook. *Danny Tyler joined the meeting and Mike Dady left the meeting.*

On a MOTION by Mr. Sewell, seconded by Ms. Jacobs, with all in favor, the Board approved the Resolution 01-05 setting the public hearing date for Harbor Bay Community Development District.

FIFTH ORDER OF BUSINESS

Consideration of Work Authorizations

Mr. Williams stated that there were some work specific authorizations from Heidt & Associates for three segments. The first one is a lump sum for the design and service work of Phase III. The lump sum is \$150,000. There is also hourly rates which are attached for two other portions of the project (miscellaneous sidewalk staking, etc.) and other miscellaneous work as being authorized by the District. Mr. Williams asked if there were any questions. A question was asked and answered about the rate schedules. Also, a question was asked and answered about Parcel 21 being left out. Hearing and seeing no further questions, Mr. Williams asked for a motion to approve.

On a MOTION by Mr. Price, seconded by Mr. Sewell, with all in favor, the Board approved the Heidt & Associates work authorizations for Harbor Bay Community Development District.

SIXTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
Mr. Johnson stated that there were no construction contract award protest notices filed through the appeal period.
- B. District Engineer
No further report.
- C. District Manager
No further report.

SEVENTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

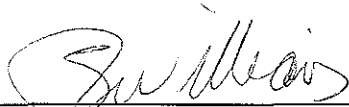
Mr. Williams stated that the next item on the agenda is Supervisor Requests and Audience Comments. There was no audience in attendance other than those noted at the beginning of the meeting. He asked if there were any Supervisor requests. There were none.

EIGHTH ORDER OF BUSINESS


Adjournment

Mr. Williams stated that there were no further agenda items scheduled for discussion and asked for a motion to adjourn the meeting.

On a MOTION by Mr. Price, seconded by Ms. Jacobs, with all in favor, the Board adjourned the meeting for Harbor Bay Community Development District.



Pete Williams
District Manager



Brian Sewell
Chairman