

MINUTES OF MEETING

**HARBOR BAY
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Harbor Bay Community Development District Board of Supervisors was held on **Tuesday, June 17, 2003 at 11:40 a.m.** at the Mirabay Welcome Center, located at 205 Manns Harbor Drive, Apollo Beach, FL 33572.

Present and constituting a quorum were:

Brenda Kunkel	Board Supervisor, Assistant Secretary
Steve Gamm	Board Supervisor, Vice Chairman
Suzi Greene	Board Supervisor, Assistant Secretary

Also present were:

Pete Williams	District Manager, Rizzetta & Company, Inc.
Jonathan Johnson	District Counsel, Hopping Green & Sams P.A. <i>(joined meeting in progress via speaker phone)</i>

FIRST ORDER OF BUSINESS

Call to Order

Mr. Williams called the meeting to order.

SECOND ORDER OF BUSINESS

**Consideration of Minutes of the
Board of Supervisors' Meeting
on May 20, 2003**

Mr. Williams stated that the first item is to consider the minutes of the Board of Supervisors' meeting held on May 20, 2003 (located behind tab 1). Mr. Williams asked if there were any additions, deletions or corrections to the minutes. Hearing and seeing none, he asked for a motion to approve.

On MOTION by Ms. Kunkel, seconded by Ms. Greene with all in favor, the Board approved the minutes of the Board of Supervisors' meeting on May 20, 2003 for Harbor Bay Community Development District.

THIRD ORDER OF BUSINESS

**Consideration of Authorization
to Disburse District Funds 2003-09**

Mr. Williams stated that the next item on the agenda is the consideration of the Authorization to Disburse District Funds 2003-09 (located behind tab 2). He stated that the disbursement consists of invoices for standard contractual commitments and administrative fees. Mr. Williams asked if there were any questions. Hearing and seeing none, he asked for a motion to approve.

On MOTION by Ms. Greene, seconded by Ms. Kunkel, with all in favor, the Board approved the Authorization to Disburse District Funds 2003-09 for Harbor Bay Community Development District.

FOURTH ORDER OF BUSINESS

**Consideration of Series 2002
Construction Requisitions #91-#102**

Mr. Williams stated that the next item on the agenda is the consideration of Series 2002 Construction Requisitions #91 through #102 (recap located behind tab 3). Mr. Williams stated that all requisitions have been certified by the District Engineer and approved by the Chairman. He asked if there were any questions. Hearing and seeing none, Mr. Williams asked for a motion to approve.

On MOTION by Ms. Greene, seconded by Ms. Kunkel, with all in favor, the Board approved Series 2002 Construction Requisitions #91-#102 for Harbor Bay Community Development District.

FIFTH ORDER OF BUSINESS

Reappointment of District Officers

Mr. Williams stated that the next item on the agenda is the reappointment of district officers. He explained that there was a suggestion by a Board member recommending the reassignment of Board positions. Mr. Williams stated that Ms. Shelling will be resigning her position as Chairman. He asked for a nomination from the Board. Ms. Kunkel nominated Mr. Steve Gamm for the position of Chairman. He asked for a motion to approve.

On MOTION by Ms. Kunkel, seconded by Ms. Greene, with all in favor, the Board appointed Mr. Steve Gamm as Chairman of the Board of Supervisors for Harbor Bay Community Development District.

Mr. Williams asked for a nomination for Vice Chairman. Ms. Greene nominated Ms. Kunkel for the position of Vice Chairman.

On MOTION by Ms. Kunkel, seconded by Mr. Gamm, with all in favor, the Board appointed Ms. Kunkel as Vice Chairman of the Board of Supervisors for Harbor Bay Community Development District.

SIXTH ORDER OF BUSINESS

**Continuation of Public Hearing on
Non-Resident Usage Fees**

Mr. Williams stated that the next item on the agenda is the public hearing on non-resident usage fees. He asked for a motion to open the public hearing.

On MOTION by Ms. Kunkel, seconded by Ms. Greene, with all in favor, the Board opened the Public Hearing on Non-Resident Usage Fees for Harbor Bay Community Development District.

Mr. Williams explained that there have been discussions with legal counsel and bond counsel recommending the utilization of an annual non-resident usage fee. Mr. Williams proposed to the Board that they consider an annual non-resident usage fee based upon the annual resident assessment plus an additional surcharge. He explained that there are several methods which can be used to calculate an assessment amount to base the non-resident usage fee upon. The methods can utilize either the high-end assessment rates or average assessment rates. Mr. Williams stated that using the high-end assessment rate method would equal \$1,772 per year (based upon the fiscal year 2003/2004 budget) plus an additional surcharge percentage added to the total. He explained to the Board that the commercial assessment rates and the apartment assessment rates should not be utilized in the calculations, due to the fact that the commercial rates are based upon acreage and the apartment rates are not based upon square lot footage. Utilizing the low-end assessment rate would equal \$1,063 (based upon the fiscal year 2003/2004 budget) plus an additional surcharge. Mr. Williams recommended to the Board that the assessment rate for the 80 foot lot be utilized as a standard to base the non-resident usage fee upon with an additional 10% surcharge.

He explained that the current non-resident usage rate (based upon the 80 foot lot) would equal \$1,418 plus an additional 10% surcharge. Mr. Williams recommended that the calculation of the non-resident usage fees (on an annual basis) be based upon the 80 foot lot assessment rate plus an additional 10% surcharge. This will allow for consistency in determining the rate from year to year. Mr. Williams explained that the non-resident user would be paying the same fees as a resident of the District and would be subjected to the same additional fees for the renting of the clubhouse facilities or other special services. He explained that adopting an annual fee will eliminate the adoption of numerous fee schedules and will establish a standardized usage fee schedule. Ms. Kunkel asked for verification whether a non-resident interested in renting the clubhouse facilities would be required to pay the annual fee plus any additional rental fees. Mr. Williams explained that non-residents would be required to pay the annual fee plus any additional rental charges associated with the rental of the clubhouse. Residents would not be required to pay the annual fee, but will still be required to pay the fees associated with the rental of the clubhouse. Mr. Williams explained that the annual amount would fluctuate depending upon the lot assessment for that year. He explained to the Board that acceptance of this fee structure would eliminate the adoption of various rate structures. Mr. Gamm asked if the surcharge could be increased. Mr. Williams explained that the surcharge could be increased, and he proposed to increase the surcharge to 15%. Mr. Gamm asked if someone renting the clubhouse facilities for a one-time event such as a wedding banquet would be required to pay the annual fee plus any rental charges. Mr. Williams confirmed that the renters of the clubhouse would be required to pay the annual amount plus the surcharge percentage and any rental fees specific to the clubhouse rental.

Mr. Gamm asked if the number of non-resident users could be restricted. Mr. Williams explained that the restricting of the number of non-resident users would be an issue that should be verified by District Counsel. He explained that he has dealt with the issue in the past, and there are various opinions on this issue. Mr. Williams explained that there is an issue of exceeding a capacity limit; however, in municipal facilities there are not usually capacity limits set. He stated the need for District Counsel to further research the capacity limit issue. Mr. Williams explained that the Board could adopt capacity limits at a later date if needed. Mr. Gamm asked if the acceptance of the non-resident usage fees would include a rate for guests. Mr. Williams explained that in most Districts, a set number of guests are established per household in order to control the number of guests allowed. Mr. Gamm asked if the adoption of capacity limits could be adopted at a Board meeting or if a public hearing would be required. Mr. Williams verified that the adoption of capacity limits could be adopted at a regularly scheduled Board meeting. He explained that the capacity limits would be adopted as policy and could change in the future depending upon the District's needs.

Mr. Williams stated that the next agenda item would be to open the public hearing for public testimony; however, there is no public present except those members mentioned at the beginning of the meeting. He asked for a motion to close the public hearing.

On MOTION by Ms. Greene, seconded by Ms. Kunkel, with all in favor, the Board closed the Public Hearing on Non-Resident Usage Fees for Harbor Bay Community Development District.

Mr. Williams stated that, per the recommendation of the Board, the 80 foot lot assessment rate will be utilized as a basis for the non-resident usage fees with an additional surcharge of 15% added to that total. He asked if there were any questions. There were none, so he asked for a motion to approve.

On MOTION by Ms. Kunkel, seconded by Ms. Greene, with all in favor, the Board adopted the Non-Resident Usage Fee for Harbor Bay Community Development District.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Williams distributed copies of the Boundary Amendment Funding Agreement between the Harbor Bay Community Development District and the Terrabrook Apollo Beach LP. He explained that the agreement pertains to the realigning of the boundaries within the District. Mr. Williams stated that the petitioning party (Terrabrook Apollo Beach LP) desired the realignment of the boundaries and they will be responsible for any legal fees incurred. He explained that the Boundary Amendment Funding Agreement legally binds Terrabrook Apollo Beach LP to the payment of the legal expenses incurred through the process of realigning the boundaries of the District. He asked if there were any questions. There were none. He asked for a motion to approve.

On MOTION by Mr. Gamm, seconded by Ms. Kunkel with all in favor, the Board approved the Boundary Amendment Funding Agreement for the Harbor Bay Community Development District.

(Mr. Johnson joined the meeting in progress.) Mr. Williams explained to Mr. Johnson that the Boundary Amendment Funding Agreement was reviewed and accepted by the Board. He asked Mr. Johnson if there was any additional information that he would like to discuss with the Board. Mr. Johnson stated that he did not have any additional information to share with the Board.

Mr. Williams explained to Mr. Johnson that the 80 foot lot assessment rate plus an additional 15% surcharge was accepted as a Non-Resident Usage fee. He explained to Mr. Johnson that additional fees associated with the rental of the clubhouse and special service fees (also required by residents) would also be the responsibility of non-resident users.

B. District Engineer
Not present.

C. District Manager

Mr. Williams reminded the Board that the public hearing for the finalization of the fiscal year 2003/2004 budget is scheduled to be held on July 22, 2003.

Mr. Williams stated that he has contacted several consultants in regards to potential staffing of the recreational facilities. He explained that there are preliminary figures for this expenditure.

Mr. Williams stated that the fiscal year 2003/2004 budget will include the current street lighting expense of \$118,000. He explained that the street lighting expense was estimated, as it is uncertain when the lights will be operational. Mr. Williams explained that there is a proposal to have the street lighting expense assessed for each parcel by dividing the number of street lights evenly across the number of lots located within that parcel. He explained that in the past there has been a proposal to set up separate street-lighting Districts. However, it was found that dividing the District into street-lighting Districts would not be cost effective to the residents due to the high administrative fees that could be charged by the utility company. Mr. Williams explained that the common areas would remain in the District and will be allocated within the budget.

EIGHTH 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 were no audience members in attendance other than those noted at the beginning of the meeting. He asked if there were any Supervisor requests.

NINTH ORDER OF BUSINESS

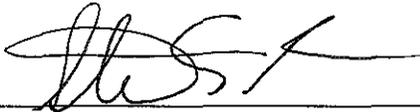
Adjournment

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

On MOTION by Ms. Kunkel, seconded by Ms. Greene, with all in favor, the Board adjourned the meeting for Harbor Bay Community Development District.



Pete Williams
Secretary



Steve Gamm
Chairman