

**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, July 22, 2003 at 9:05 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	<b>Board Supervisor, Vice Chairman</b> ( <i>joined meeting in progress</i> )
Steve Gamm	<b>Board Supervisor, Chairman</b>
Kathy Shelling	<b>Board Supervisor, Assistant Secretary</b>
Suzi Greene	<b>Board Supervisor, Assistant Secretary</b>
Susie Marler	<b>Board Supervisor, Assistant Secretary</b>

Also present were:

Pete Williams	<b>District Manager, Rizzetta &amp; Company, Inc.</b>
Jonathan Johnson	<b>District Counsel, Hopping Green &amp; Sams, P.A.</b>
Brian Lamb	<b>District Staff, Rizzetta &amp; Company, Inc.</b>
Tozey Hall	<b>District Engineer, Heidt &amp; Associates, Inc.</b>

**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 June 17, 2003**

Mr. Williams stated that the first item is to consider the minutes of the Board of Supervisors' meeting held on June 17, 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. Marler, seconded by Mr. Gamm with all in favor, the Board approved the minutes of the Board of Supervisors' meeting on June 17, 2003 for Harbor Bay Community Development District.

**THIRD ORDER OF BUSINESS**

**Consideration of Authorization  
to Disburse District Funds 2003-10**

Mr. Williams stated that the next item on the agenda is the consideration of the Authorization to Disburse District Funds 2003-10 (located behind tab 2). He stated that the disbursement consists of invoices for standard contractual commitments and administrative fees. Mr. Williams stated that there is an invoice for SunTrust Bank pertaining to bond issue fees. He 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. Marler, with all in favor, the Board approved the Authorization to Disburse District Funds 2003-10 for Harbor Bay Community Development District.

*(Ms. Kunkel joined the meeting.)*

**FOURTH ORDER OF BUSINESS**

**Consideration of Series 2002  
Construction Requisitions #103-#130**

Mr. Williams stated that the next item on the agenda is the consideration of the Series 2002 Construction Requisitions #103 through #130 (recap located behind tab 3). Mr. Williams stated that all requisitions have been certified by the District Engineer and approved by the Chairman. Ms. Shelling asked if the requisitions were paid by SunTrust Bank. Mr. Williams stated that the process of paying requisitions through the Trustee is permitted through the prior adoption of a resolution by the Board (providing the amount of the requisition is part of a contract that was previously approved by the Board and the amount of the requisition does not exceed the contract amount). Mr. Williams stated that he will verify if the requisitions were paid. He asked if there were any further questions. Hearing and seeing none, Mr. Williams asked for a motion to approve.

On MOTION by Ms. Greene, seconded by Mr. Gamm, with all in favor, the Board approved the Series 2002 Construction Requisitions #103 through #130 for Harbor Bay Community Development District.

**FIFTH ORDER OF BUSINESS**

**Public Hearing on Fiscal Year 2003/2004  
Budget and Consideration of Resolution  
2003-17, Adopting Budget**

Mr. Williams stated that the next item on the agenda is the public hearing on the fiscal year 2003/2004 budget and consideration of Resolution 2003-17, Adopting Budget. He recommended the Board continue the public hearing until Monday, August 4, 2003 at 9:00 a.m. Mr. Williams explained that there are several areas of the budget that require further review. He asked if there were any questions. There were none. Mr. Williams asked for a motion to approve.

On MOTION by Ms. Shelling, seconded by Ms. Kunkel, with all in favor, the Board opened the Public Hearing on Fiscal Year 2003/2004 Budget for Harbor Bay Community Development District.

On MOTION by Ms. Kunkel, seconded by Ms. Marler, with all in favor, the Board continued the Public Hearing on Fiscal Year 2003/2004 Budget until August 4, 2003 at 9:00 a.m. for Harbor Bay Community Development District.

**SIXTH ORDER OF BUSINESS**

**Consideration of Engagement Letter for  
John Dannecker Litigation**

Mr. Williams stated that the next item on the agenda is the consideration of the engagement letter for the John Dannecker Litigation (located behind tab 5). Mr. Johnson clarified that there is currently no litigation pending. He explained that there are some issues pertaining to the onsite work that was performed by Woodruff & Sons pertaining to facilities that are owned by the District, and facilities owned by Terrabrook Apollo Beach LP. He explained that there was an incident that had occurred at the site and currently an investigation is pending. Mr. Johnson explained that Terrabrook's counsel has been consulted and both the District and Terrabrook Apollo Beach LP agreed to seek counsel which has had experience with construction matters in order to provide detailed information to the insurance company on behalf of Woodruff & Sons. He explained that Terrabrook Apollo Beach LP will utilize the District as a liaison between Woodruff & Sons. Mr. Johnson recommended that the Board consider retaining the legal services of Shutts & Bowen LLP (the retainer agreement is located behind tab 5). Mr. Johnson explained that the retainer pertains to possible future litigation that may occur. He stated that paragraph #13 on the document was crossed out as it does not pertain to the District. Mr. Johnson explained that the District is a public entity and cannot have a lien imposed upon it. Mr. Williams asked if there were any questions. There were none.

On MOTION by Mr. Gamm, seconded by Ms. Kunkel, with all in favor, the Board approved the retainer for Shutts & Bowen services for Harbor Bay Community Development District.

(Mr. Hall joined the meeting). Mr. Gamm explained the status of the construction incident. He stated that the District Engineer notified the contractor of the incident and requested a response to the incident. Currently, no response has been received on behalf of the contractor; therefore, District Counsel advice was sought. Mr. Gamm stated that the insurance company on behalf of the contractor has contacted him. He explained that Heidt and Associates, Inc. have been monitoring the wall for possible settling due to the incident. The docks and pool deck construction is presently on hold pending the resolution of the retaining wall issue. Mr. Williams asked if there were any further questions. There were none.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Financial  
Advisory Services Contract**

Mr. Williams stated that the next item on the agenda is the consideration of the Financial Advisory contract (located behind tab 6). He explained that the contract will provide financial services to include the composition of the statement of estimated regulatory costs pertaining to the boundary transaction for the District. Mr. Williams stated that the cost to prepare the statement is approximately \$2,500. He asked if there were any questions. There were none, so he asked for a motion to approve.

On MOTION by Ms. Shelling, seconded by Ms. Greene, with all in favor, the Board approved the Financial Advisory Services Contract for Harbor Bay Community Development District.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Recreation  
Center Operation Agreement**

Mr. Williams stated that the next item on the agenda is the consideration of the Recreation Center Operation Agreement. Mr. Johnson stated that the agreement is in the process of revision and will be available for the meeting on August 4, 2003.

**NINTH ORDER OF BUSINESS**

**Staff Reports**

- A. District Counsel  
No report.

B. District Engineer

No report.

C. District Manager

Mr. Williams stated that there are several proposals for the Board's consideration and approval. The first construction proposal for CRS Building Corporation pertains to entrance signs for a total of \$13,078. Mr. Gamm explained that approximately six signs have been permitted by Heidt & Associates, Inc.

On MOTION by Ms. Kunkel, seconded by Ms. Greene, with all in favor, the Board approved the contract with CRS Building Corporation (\$13,078) for Harbor Bay Community Development District.

Mr. Williams stated that the next proposal for Kim's Nursery pertains to the irrigation pump station and Well #4. He explained that the well amount is \$4,590; the pump station total is \$20,658; the concrete slab is for a total of \$3,604; and the addition of a sand separator to separate sand from the irrigation lines total is \$3,780. He explained that there is an additional drilling charge to construct wells over 300 feet which is \$13.50 per linear foot. Mr. Gamm stated that the District currently has a contract with Kim's Nursery, and the irrigation was subcontracted to Kim's Nursery.

On MOTION by Ms. Marler, seconded by Ms. Greene, with all in favor, the Board approved the contract with Kim's Nursery for Harbor Bay Community Development District.

Mr. Williams stated that there is a proposal for Newberg Irrigation that pertains to the installation of a mainline extension. Mr. Gamm explained that the extension pertains to the servicing of a roundabout area. The total proposal amount is \$9,250. Mr. Williams asked if there were any questions. There were none. He asked for a motion to approve.

On MOTION by Ms. Greene, seconded by Ms. Shelling, with all in favor, the Board approved the contract with Newberg Irrigation (\$9,250) for Harbor Bay Community Development District.

Mr. Williams stated there is a proposal for Custom Docks by Seamaster, Inc. that pertains to the main boat lift for equipment needed to power the boat lift. The total amount of the proposal is \$19,850. Mr. Williams asked if there were any questions.

There was a discussion regarding if the boat lift was a District expense or an expense of the developer. Mr. Gamm explained that the requisition may be the developer's responsibility. He recommended that the requisition be tabled until the August 4, 2003 meeting.

Mr. Williams stated that there is a requisition for Custom Docks by Seamaster that pertains to the installation of the deck walk, railings and posts required to construct an additional 190 feet to the area located near the club. Mr. Gamm stated that the amount for the proposed work has been allocated in the budget. The total amount of the requisition is \$14,215. Mr. Williams 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 approved the requisition for Custom Docks by Seamaster for \$14,215 for Harbor Bay Community Development District.

Mr. Williams stated that there is a proposal for Newberg Irrigation, Inc. that pertains to the installation of a sand separator filtration system for pump stations #1 and #2 totaling \$8,328.00 for both stations. He explained that currently there have been several problems with sand infiltrating the irrigation system. Mr. Williams suggested that the proposal be listed as an operation and maintenance expense. He explained that the maintenance of the pump stations is vital for future operations. He asked if there were any questions. There were none, so he asked for a motion to approve.

On MOTION by Ms. Greene, seconded by Ms. Kunkel, with all in favor, the Board approved the requisition for Newberg Irrigation for Harbor Bay Community Development District.

Mr. Williams stated that there is a contract for Irrigation Technical Services that pertains to the monthly inspection and adjustment of the irrigation pump stations. The total contract is \$390.00 for both stations. Mr. Williams stated that there is a proposal to add future pump stations at the cost of \$195.00 per month. Mr. Gamm stated that there will be four stations constructed. 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 approved the contract for Irrigation Technical Services for Harbor Bay Community Development District.

Mr. Williams stated that there is a proposal for the Genesis Group that pertains to water monitoring. He explained that this is a subcontract for the current contract under Biological Research Associates for maintenance and monitoring of waste water per SWFWMD requirements. Mr. Williams further explained that the contract is for a five year time period and the entire amount for the five year period is \$48,400. Mr. Williams asked if there were any questions. There were none.

On MOTION by Ms. Kunkel, seconded by Ms. Marler, with all in favor, the Board approved the Genesis Group contract for Harbor Bay Community Development District.

**TENTH ORDER OF BUSINESS**

**Supervisor Requests and  
Audience Comments**

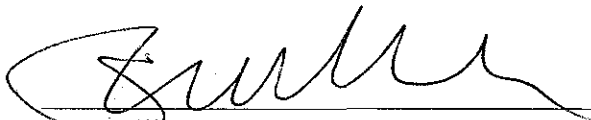
Mr. Williams stated that the next item on the agenda is Supervisor requests and audience comments. There were no audience members in attendance other than those noted at the beginning of the meeting. He asked if there were any Supervisor requests. There were none.

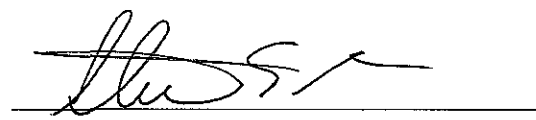
**ELEVENTH ORDER OF BUSINESS**

**Continuance**

Mr. Williams stated that there were no further agenda items to come before the Board and asked for a motion to continue the meeting until August 4, 2003 at 9:00 a.m.

On MOTION by Ms. Shelling, seconded by Ms. Kunkel, with all in favor, the Board continued the meeting until August 4, 2003 at 9:00 a.m. for Harbor Bay Community Development District.

  
Pete Williams  
Secretary

  
Steve Gamm  
Chairman