

MINUTES OF MEETING

HARBOR BAY
COMMUNITY DEVELOPMENT DISTRICT

The first regular meeting of the Board of Supervisors of the Harbor Bay Community Development District was held **Tuesday, August 24, 1999 at 10:00 a.m.**

Present and constituting a quorum were:

Glen Cross	Supervisor
Galen Custard	Supervisor
Harry Lerner (via speaker phone)	Supervisor

Also present were:

Pete Williams (via speaker phone)	Rizzetta & Company
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Mr. Williams stated that because several members were not present, it had been recommended that the meeting be reconvened at 1:30 p.m. He asked for a motion to that effect.

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

MINUTES OF MEETING

HARBOR BAY
COMMUNITY DEVELOPMENT DISTRICT

The reconvened meeting of the first regular meeting of the Board of Supervisors of the Harbor Bay Community Development District was held **Tuesday, August 24, 1999 at 1:30 p.m.** at the offices of Shimberg Cross Company, located at 611 West Bay Street, Tampa, Florida 33606.

Present and constituting a quorum were:

Glen Cross	Supervisor
Galen Custard	Supervisor
Harry Lerner	Supervisor
John Paulk	Supervisor

Also present were the following:

Pete Williams	Rizzetta & Company
William Rizzetta	Rizzetta & Company
John McKay	Rizzetta & Company

Danny Tyler
Jonathan Johnson
James Scarola

Nabors, Giblin & Nickerson
Hopping, Green, Sams & Smith
Scarola Engineering

FIRST ORDER OF BUSINESS

Call to Order

Mr. Williams called the meeting to order.

SECOND ORDER OF BUSINESS

Oath of Office for Newly Appointed Supervisors

Mr. Williams stated that he is a Notary Public of the State of Florida and is authorized to administer said oath (located behind tab 1). Mr. Williams will also be signing the affidavit that will go in the District files. Mr. Williams further stated that he would read the oath and then asked each Supervisor to raise his right hand and swear or affirm that he solemnly swears or affirms to support, protect and defend the constitution and government of the United States of America and of the State of Florida; that you are duly qualified to hold office under the constitution of the State and that you will well and faithfully perform the duties of Supervisor of the Harbor Bay Community Development District on which you are now about to enter.

The record will reflect that all four Supervisors present so affirmed.

THIRD ORDER OF BUSINESS

General District Items and Overview

Mr. Williams stated that the agenda package (behind tab 2) contained copies of a District Overview and Responsibilities and the purpose of Community Development Districts. Behind tab 3 is a copy of Chapter 190 which is the statute that addresses Community Development Districts in particular. Mr. Williams then passed out a copy of the Sunshine Amendment and Code of Ethics. These are guidelines as to the conduct of being a public officer. In addition, he also passed out the Form 1 Statement of Financial Interests which the Board is asked to fill out and return to the newly appointed District Manager for the District's records.

FOURTH ORDER OF BUSINESS

Administrative and Organizational Resolutions and Appointment of the Board Officers

A. Chairman - Resolution 99-01

Mr. Williams stated that the next order of business would be the appointment of the Chairman. Mr. Williams opened up the floor for any nominations for the position. Harry Lerner nominated Glen Cross. Galen Custard seconded the nomination. There were no other nominations. Mr. Williams asked the Board to make a motion to accept Resolution 99-01.

On MOTION by Mr. Cross, seconded by Mr. Lerner, with all in favor, the Board adopted Resolution 99-01 appointing Glen Cross as Chairman for the Harbor Bay Community Development District.
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B. Vice-Chairman - Resolution 99-02

Mr. Williams stated that the next order of business would be the appointment of the Vice-Chairman. Mr. Williams opened up the floor for any nominations for the position. Galen Custard nominated Harry Lerner. John Paulk

HARBOR BAY COMMUNITY DEVELOPMENT DISTRICT

August 24, 1999 Minutes of Meeting

Page 3

seconded the nomination. There were no other nominations. Mr. Williams asked the Board to make a motion to accept Resolution 99-02.

On MOTION by Mr. Custard, seconded by Mr. Paulk, with all in favor, the Board adopted Resolution 99-02 appointing Harry Lerner as Vice-Chairman for the Harbor Bay Community Development District.

C. District Manager – Resolution 99-03

Mr. Williams stated that the next item would be to appoint the District Manager. A contract has been initially entered into, between the Developer and Rizzetta & Company, in order to prepare information provided today and also for the initial petition process. The Developer has recommended that the Board enter into an agreement with Rizzetta & Company for continued Management Services. Mr. Williams asked if there was any discussion by the Board. Hearing and seeing none, he asked for a motion to approve Resolution 99-03, appointing Rizzetta & Company, as District Manager.

On MOTION by Mr. Cross, seconded by Mr. Custard, with all in favor, the Board adopted Resolution 99-03 appointing Rizzetta & Company as District Manager for the Harbor Bay Community Development District.

D. Secretary – Resolution 99-04

Mr. Williams stated that the next item would be to appoint the Secretary under Resolution 99-04. He further stated that they recommend that it be someone from District Management. It was recommended that Pete Williams from Rizzetta & Company be appointed as the District Secretary. Mr. Williams asked if there were any other considerations or nominations. Hearing and seeing none, Mr. Williams asked for a motion to approve Resolution 99-04.

On MOTION by Mr. Cross, seconded by Mr. Custard, with all in favor, the Board adopted Resolution 99-04 appointing Pete Williams with Rizzetta & Company as District Secretary for the Harbor Bay Community Development District.

E. Treasurer - Resolution 99-05

Mr. Williams stated that it has been recommended that William Rizzetta from Rizzetta & Company, Inc. be considered as Treasurer of the District. Mr. Williams asked the Board if there were any other nominations. Hearing and seeing none, he asked for a motion to approve Resolution 99-05, naming William Rizzetta as Treasurer.

On MOTION by Mr. Lerner, seconded by Mr. Custard, with all in favor, the Board adopted Resolution 99-05 appointing William Rizzetta with Rizzetta & Company as District Treasurer for the Harbor Bay Community Development District.

F. Assistant Secretaries – Resolution 99-06

Mr. Williams stated that the next item is to appoint the Assistant Secretaries. He stated that the normal course

HARBOR BAY COMMUNITY DEVELOPMENT DISTRICT

August 24, 1999 Minutes of Meeting

Page 4

of business is that the remaining Board members who are not appointed as Chairman or Vice-Chairman be appointed as Assistant Secretaries to the Secretary of the District. Galen Custard, John Paulk, and John Kostoryz would then be considered as Assistant Secretaries. Mr. Williams asked the Board if there was any further discussion on this issue and, if not, to make a motion to approve Resolution 99-06, naming the Assistant Secretaries.

On MOTION by Mr. Lerner, seconded by Mr. Cross, with all in favor, the Board adopted Resolution 99-06 appointing Galen Custard, John Paulk, and John Kostoryz as District Assistant Secretaries for the Harbor Bay Community Development District.

G. District Agent and Registered Office – Resolution 99-07

Mr. Williams stated that the next item is to appoint the District Agent and Registered Office. He stated that the normal course of business is that the District Agent is a representative of the management company, and the registered office is normally filed as the office of the District Management firm, which would be, Rizzetta & Company, located at 3550 Buschwood Park Drive, Suite 135, Tampa, Florida 33618. Mr. Williams asked the Board if there was any further discussion on this issue and, if not, to make a motion to approve Resolution 99-07 naming the Agent & Office.

On MOTION by Mr. Lerner, seconded by Mr. Custard, with all in favor, the Board adopted Resolution 99-07 appointing William Rizzetta with Rizzetta & Company as District Agent and Rizzetta & Company as the District Office for the Harbor Bay Community Development District.

H. District Counsel – Resolution 99-08

Mr. Williams stated that the next item is to appoint the District Counsel. The law firm of Hopping, Green, Sams & Smith has shown interest in this appointment as District Counsel. Mr. Johnson, of that law firm, asked if the Board had any questions. Mr. Williams asked the Board if there was any further discussion on this issue and, if not, to make a motion to approve Resolution 99-08, appointing Hopping, Green as District Counsel.

On MOTION by Mr. Lerner, seconded by Mr. Cross, with all in favor, the Board adopted Resolution 99-08 appointing Hopping, Green, Sams & Smith as District Counsel for the Harbor Bay Community Development District.

I. Designate Regular Monthly Meeting Dates, Times and Place – Resolution 99-09

Mr. Williams stated that Resolution 99-09 designates the District's regular monthly meetings; the dates and times for such meetings and the location. It has been recommended by District staff that all meetings be held at 1:30 p.m. at Shimberg Cross Company, located at 611 West Bay Street, Tampa, Florida on the third Monday of each month. Mr. Williams asked for any discussion or concerns on the part of the Board. Hearing and seeing none, he asked for a motion to approve Resolution 99-09 as such.

On MOTION by Mr. Lerner, seconded by Mr. Paulk, with all in favor, the Board adopted Resolution 99-09 designating Regular Monthly Meeting Dates and Times for Meetings of the Board of Supervisors for the Harbor Bay Community Development District.

J. Designate Landowners Meeting Date, Time and Place – Resolution 99-10

Mr. Williams stated that, by Statute, within 90 days of the actual effective date (August 5, 1999) the District was approved and recorded by Hillsborough County. Within 90 days of this date, there must be a landowner meeting and the landowner must elect the Board of Supervisors. Mr. Williams further stated that this Board had been initially appointed for the purposes of governing the District through the creation and the initial period up until this time. The recommendation from District staff is that the Board designates the same date as the October board meeting, wish afetr discussion was pushed back to November 1. The date would be November 1, 1999 at 1:30 p.m. Mr. Williams asked for further discussion on this matter. Hearing and seeing none, he asked for a motion to approve Resolution 99-10 as such.

On MOTION by Mr. Lerner, seconded by Mr. Custard, with all in favor, the Board adopted Resolution 99-10 designating the Landowner Meeting Date, Time and Place for the Harbor Bay Community Development District.

K. Consideration of Proposed Budget for Fiscal Year 1998-99 and Setting a Public Hearing and Adopting Developer Funding Agreement - Resolution 99-11

Mr. Williams stated that the Proposed Budget for FY 98-99 is based on prior contractual agreements and standard administrative costs involved with community development districts. Mr. Williams further stated that Resolution 99-11 also adopts a Developer Funding Agreement which is necessary because the District requires funds to operate. Because of today's meeting date, it would be past the end of the fiscal year to send a proposed budget to the County. Because the Developer (Atlantic Gulf Communities) wishes to proceed, they have agreed to fund the expenses of the District for the remainder of FY 98/99 (August and September only). We are submitting that the Board acknowledges that it's too late to be able to conduct a public hearing and that any expenses and revenue would be collected in advance of any potential public hearing. The resolution acknowledges this fact and also adopts a Developer funding agreement which states that the Developer has the intention of paying for the expenses of the District for the designated months. Mr. Williams asked if there was any discussion regarding the resolution.

On MOTION by Mr. Custard, seconded by Mr. Lerner, with all in favor, the Board adopted Resolution 99-11 approving the Fiscal Year 1998/99 Budget and setting a Public Hearing and adopting a Developer Funding Agreement for the Harbor Bay Community Development District.

L. Consideration of Proposed Budget for FY 99/00 for submission to County and set Date, Time and Place for Public Hearing – Resolution 99-12

Mr. Williams stated that the next item for discussion is the consideration of the proposed budget for Fiscal Year 1999/2000 which begins October 1, 1999 and terminates on September 30, 2000. Mr. Williams further stated that there can be adjustments, additions or deletions to this proposed budget within the next 60 days. The proposed budget is required to be submitted to the County 60 days in advance of the public hearing. There is no anticipated expense for field operations for next fiscal year. The estimated amount of budgetary needs for next year is \$92,925. Mr. Williams also asked that the Board approve the public hearing be held at the November 1, 1999 Board Meeting. Mr. Williams asked if there was any discussion regarding Resolution 99-12. Hearing and seeing none, he asked for a motion to approve.

On MOTION by Mr. Custard, seconded by Mr. Lerner, with all in favor, the Board adopted Resolution 99-12 approving the Proposed Budget for FY 99/00 and setting the public hearing on same, for the Harbor Bay Community Development District.

M. Set Date, Time & Place and Authorize Publication of Notice of Public Hearing on
Uniform Rules of Procedure – Resolution 99-13

Mr. Williams stated that the next item for discussion is Resolution 99-13 to set the date, time and place and authorize publication of notice of public hearing on the uniform rules of procedure. As a matter of information, the Districts are required by Statute to adopt uniform rules of procedure in compliance with Chapter 190 and Chapter 120 which refers to the administrative code of the State of Florida in regards to the uniform rules of procedure. Notification of the public hearing to adopt these rules must be published at least 28 days in advance of the hearing. The recommendation to the Board is that the date for the public hearing be November 1, 1999 at 1:30 p.m. at the offices of Shimberg Cross Company and also to authorize District management to publish that notice 28 days in advance. Mr. Williams asked if there was any discussion regarding Resolution 99-13. Hearing and seeing none, he asked for a motion to approve the resolution.

On MOTION by Mr. Lerner, seconded by Mr. Paulk, with all in favor, the Board approved Resolution 99-13 setting the public hearing for Uniform Rules of Procedure for the Harbor Bay Community Development District.

N. Authorize Notice of Establishment – Resolution 99-14

Mr. Williams stated that the next item for discussion is Resolution 99-14. This is a new requirement under Florida statute that requires that a Notice of Establishment be entered into the public records of the County establishing the creation of the District and certain mandatory disclosure items. District Counsel stated that this is in compliance with 1999 legislative requirement.

On MOTION by Mr. Cross, seconded by Mr. Custard, with all in favor, the Board approved Resolution 99-14, Notice of Establishment, for the Harbor Bay Community Development District.

O. Set forth policy re: Support and Legal defense for Board Members and District Staff -
Resolution 99-15

Mr. Williams stated that the next item for discussion is Resolution 99-15. Mr. Williams further stated that due to potential liability and risk of possible lawsuits, this resolution would provide that the District would cover any defense for the Board in case of a suit brought against them. The District would not support or pay for any illegal activities, malfeasance, willful neglect, misrepresentation of material facts, etc. After this resolution, the Board will allow District staff to collect bids for public liability insurance. Mr. Williams asked if there was any discussion regarding Resolution 99-15. Hearing and seeing none, he asked for a motion to approve the resolution.

On MOTION by Mr. Cross, seconded by Mr. Lerner, with all in favor, the Board adopted Resolution 99-15 to Set Forth Policy regarding Support and Legal Defense for Board Members and District Staff, for the Harbor Bay Community Development District.

O(1). Public Officers Liability Insurance

Mr. Williams stated that the next item for discussion is asking the Board to approve District management to obtain bids and pricing for public officers liability insurance. At the present time, there are limited carriers that write this kind of coverage within the state of Florida. The Florida League of Cities and Coregis are two firms that write this kind of policy.

On MOTION by Mr. Lerner, seconded by Mr. Paulk, with all in favor, the Board approved District management to obtain bids for Public Officers Liability Insurance for Harbor Bay Community Development District.

P. Authorize RFP for District Engineer

Mr. Williams stated that, by Statute, to obtain the services of a District Engineer we are required to request proposals which needs to be published in the Legal Classifieds. The proposals will request documentation from engineering firms who respond with statements of qualifications of the firm and the individuals involved. There is no pricing involved at this point. Mr. Williams asked if there was any discussion or questions regarding this issue. He then asked for a motion to approve.

On MOTION by Mr. Lerner, seconded by Mr. Paulk, with all in favor, the Board approved the RFP for District Engineer services for Harbor Bay Community Development District.

Q. Authorize Project Engineering Agreement

Mr. Williams stated that the next item on the agenda is for the Board to approve an initial project engineering agreement for interim engineering services with Scarola & Associates. The amount of money to be incurred is below the \$10,000 threshold. Mr. Scarola gave a brief overview of his firm and their capabilities. Mr. Williams asked if there was any discussion or questions regarding this issue. He then asked for a motion to approve.

On MOTION by Mr. Lerner, seconded by Mr. Paulk, with all in favor, the Board approved the appointment of Scarola & Associates as interim District Engineer for Harbor Bay Community Development District.

FIFTH ORDER OF BUSINESS

Resolutions Relating to Bond Issuance and Banking

A. Appoint Investment Banker – Resolution 99-16

Mr. Williams stated that the next order of business is to appoint an investment banker to broker and sell bonds and makes arrangements for the purchase of bonds. Prior discussions with Prager, McCarthy & Sealy have been made and this is the firm that is being recommended. Mr. Williams asked if the Board had questions or any other individuals to consider. Mr. Rizzetta stated that Rizzetta & Company had a history of working with Prager, McCarthy & Sealy. Mr. Williams again asked the Board for any questions. Hearing and seeing no questions, Mr. Williams asked for a motion to approve Resolution 99-16 to appoint the firm of Prager, McCarthy & Sealy as the investment banker.

On MOTION by Mr. Lerner, seconded by Mr. Custard, with all in favor, the Board adopted Resolution 99-16, appointing Prager, McCarthy & Sealy, as investment banker for the Harbor Bay Community Development District.

B. Appoint Bond Counsel – Resolution 99-17

Mr. Williams stated Resolution 99-17 is to appoint bond counsel. The law firm of Nabors, Giblin & Nickerson has shown an interest to be considered as bond counsel. District Management and Prager, McCarthy & Sealy have both

recommended this firm. Mr. Tyler gave a brief background on his firm's experience and expertise. Mr. Williams asked if there was any further discussion regarding this resolution. There was none and Mr. Williams asked for a motion to approve.

On MOTION by Mr. Lerner, seconded by Mr. Cross, with all in favor, the Board adopted Resolution 99-17, appointing Nabors, Giblin & Nickerson as bond counsel for the Harbor Bay Community Development District.

C. Appoint Financial Advisor – Resolution 99-18

Mr. Williams stated that Resolution 99-18 is for the appointment of a Financial Advisor for such things as the anticipated special assessment bonds. Mr. Williams asked William Rizzetta from Rizzetta & Company to give a brief overview of what a financial advisory firm provides. Mr. Rizzetta stated that this role was to work with the Board, the investment banker and the developer to structure the assessment methodology and the bond transactions. Mr. Williams stated that the Developer was recommending Rizzetta & Company for this area. Mr. Williams asked the Board if there were any questions or further discussion required. Hearing and seeing none, he asked for a motion to approve Resolution 99-18, appointing Rizzetta & Company as Financial Advisor.

On MOTION by Mr. Cross, seconded by Mr. Lerner, with all in favor, the Board adopted Resolution 99-18, appointing Rizzetta & Company as financial advisor for the Harbor Bay Community Development District.

Mr. Williams then asked that the Board consider the next agreement, which is a Funding Agreement being proposed by District Counsel. Mr. Johnson reviewed the agreement with the Board. The agreement will provide for a funding source for expenses and costs for the bond validation which are not contingent upon bond closing, as well as cover the variety of publication costs, etc. Mr. Williams asked if the Board had any questions or discussion. He then asked the Board to approve this preliminary form of the agreement.

On MOTION by Mr. Custard, seconded by Mr. Lerner, with all in favor, the Board approved the bond financing team funding agreement for the Harbor Bay Community Development District.

D. Consideration of Bond Resolution, to include Form of Trust Indenture and Authorize Issuance of Bonds and Authorize Filing of Validation Complaint - Resolution 99-19

Mr. Williams stated that the next issue to be discussed was Resolution 99-19. A revised version was being passed out to the Board. Mr. Tyler stated that this authorizes the issuance of bonds in the amount not to exceed \$75 million dollars. The \$75 million dollar figure was derived by working with the Developer and the engineers to come up with a number that has some proximity to the maximum amount of public infrastructure that the district would be putting in. Mr. Williams asked if there were any questions for Bond Counsel. A discussion ensued regarding where the figure of \$75 million had been derived from. Mr. Williams then asked if there were any further questions regarding the resolution. Hearing and seeing none, he asked the Board for a motion to approve Resolution 99-19.

On MOTION by Mr. Lerner, seconded by Ms. Cross, with all in favor, the Board adopted

HARBOR BAY COMMUNITY DEVELOPMENT DISTRICT

August 24, 1999 Minutes of Meeting

Page 9

Resolution 99-19, setting the amount of bonds to be issued not to exceed \$75 million, approving the form of the master trust indenture, naming SunTrust Bank as trustee and approving the filing of the validation complaint for the Harbor Bay Community Development District.

E. Selection of District Depository - Resolution 99-20

Mr. Williams stated that the next item was the discussion of Resolution 99-20 to select the District depository. This authorizes the opening of the actual operating account by which the District will be paying its normal operating expenses. It is recommended by District staff that the same facility be used as your trustee. SunTrust Bank is the recommended bank for the accounts. Mr. Williams asked for any discussion. Hearing and seeing none, he asked for a motion to approve Resolution 99-20.

On MOTION by Mr. Cross, seconded by Mr. Custard, with all in favor, the Board adopted Resolution 99-20, approving SunTrust Bank as the district depository for the Harbor Bay Community Development District.

E(1). Designate Signators

Mr. Williams stated that the next item was the approval of designated signers on the operating account when it is opened. Normally the Chairman and the Vice-Chairman are signers on the account along with the District Secretary and Treasurer. We are asking the Board that there be two signers on every check that is issued. Mr. Williams asked for a motion to approve the four officers of the District as Signers with two signatures required on the checks, with one being either the Chairman or Vice Chairman and the other either the Secretary or Treasurer.

On MOTION by Mr. Cross, seconded by Mr. Paulk, with all in favor, the Board approved the designated signators as the four officers of the District and mandating that two signers be required on all checks, with one being either the Chairman or Vice-Chairman and the other either the Secretary or Treasurer for Harbor Bay Community Development District.

F. Approve Disbursement for Recurring Expenses -- Resolution 99-21

Mr. Williams stated that the next item to be discussed was Resolution 99-21 to approve disbursement for recurring expenses. He further stated that this was an operational issue that the Board was asked to consider. There will be invoicing from contractual agreements with vendors that will be entered into. These will require payment be made prior to Board meetings being held. This resolution allows certain invoicing to be paid prior to the next scheduled Board meeting. This only comes into effect for payment of invoices that meet the following requirements: the invoice must be due on or before the next scheduled meeting; the invoicing must be for either continuing goods or services pursuant to a contract or agreement previously authorized; the total amount paid must be equal to or less than the amount specified in the contract; and that the invoice amount will not cause payments to exceed the adopted budget of the District. Mr. Williams asked if there was any discussion or questions regarding this resolution. Hearing and seeing none, he asked for a motion to approve.

On MOTION by Mr. Custard, seconded by Mr. Paulk, with all in favor, the Board adopted Resolution 99-21, approving disbursement of recurring expenses for the Harbor Bay Community Development District.

G. Adopt travel expense reimbursement policy – Resolution 99-22

Mr. Williams stated that the next item to be discussed was Resolution 99-22 to adopt a travel expense reimbursement policy. This resolution would take into consideration the standard reimbursement criteria as normally designated under Statute. This recommended policy has been drafted by District Counsel. Mr. Johnson stated that this resolution was in conformance with Chapter 112. Mr. Williams asked if the Board members had any questions or comments. He then asked for a motion to approve.

On MOTION by Mr. Lerner, seconded by Mr. Cross, with all in favor, the Board adopted Resolution 99-22, adopting travel expense reimbursement policy for the Harbor Bay Community Development District.

SIXTH ORDER OF BUSINESS

Consideration of Funding Request 99-01

Mr. Williams stated that the next item on the agenda was the consideration of Funding Request 99-01 for \$7,500.00 to set up the operating account to pay the District's bills for the first two to three months. Mr. Williams asked if there were any questions from the Board regarding this issue. Hearing and seeing none, he asked for a motion to approve.

On MOTION by Mr. Lerner, seconded by Mr. Cross, with all in favor, the Board approved Funding Request 99-01 for the Harbor Bay Community Development District.

SEVENTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Williams stated that the next item on the Agenda is Supervisor's Requests and Audience Comments. He asked if there were any questions or concerns. There was no audience and there were no questions from the Supervisors.

EIGHTH ORDER OF BUSINESS

Adjournment

Mr. Williams then asked for a motion to adjourn.

On MOTION by Mr. Lerner, seconded by Mr. Custard, with all in favor, the Board adjourned the meeting for the Harbor Bay Community Development District.



Pete Williams
District Manager




Harry Lerner
Chairman