

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.

HARBOR BAY COMMUNITY DEVELOPMENT DISTRICT

The special meeting of the Board of Supervisors of Harbor Bay Community Development District was held on **Wednesday, August 29, 2012 at 5:35 p.m.** at the MiraBay Clubhouse, located at 107 Manns Harbor Drive, Apollo Beach, Florida 33752.

Present and constituting a quorum were:

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| Rip Ripley | Board Supervisor, Chairman |
| Tom Hatcher | Board Supervisor, Vice Chairman |
| Julie Guill | Board Supervisor, Assistant Secretary |
| Bob Collins | Board Supervisor, Assistant Secretary |
| Paul Stumpf | Board Supervisor, Assistant Secretary |

Also present were:

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| Matt Huber | District Manager, Rizzetta & Company, Inc. |
| Scott Brizendine | District Manager, Rizzetta & Company, Inc. |
| Jere Earlywine | District Counsel, Hopping, Green & Sams, P.A. |
| Jamie Scarola | District Engineer, Scarola Associates Engineering |
| Mindy Anderson | Club Manager |
| Alex Murphy | Club Asst. Manager |
| Audience | |

FIRST ORDER OF BUSINESS

Call to Order

Mr. Brizendine called the meeting to order and conducted roll call confirming a quorum for the meeting.

SECOND ORDER OF BUSINESS

Audience Comments on Agenda Items

Mr. Brizendine asked if there were any comments on agenda items. A representative of the Sea Crest HOA expressed his opinion regarding the matter of the reimbursement that he feels is owed to the Sea Crest HOA for maintaining District property for fifteen months.

Another resident inquired why she was not provided the handout regarding the budget prior to the meeting. It was stated that the information was provided to the website provider for posting on the community website the same day it was sent to the Board.

THIRD ORDER OF BUSINESS

Consideration of Minutes from the Landscape Committee Meeting Held on August 2, 2012

On a Motion by Mr. Stumpf, seconded by Mr. Hatcher, with all in favor, the Board of Supervisors approved the minutes from the Landscape Committee meeting held on August 2, 2012 as presented for Harbor Bay Community Development District.

FOURTH ORDER OF BUSINESS

Consideration of Minutes from the Budget Workshop Held on August 2, 2012

Mr. Brizendine stated that he provided a revision to the minutes from the budget workshop that clarifies details regarding dollar amounts, etcetera that were discussed during the meeting. He reviewed the specifics and asked if there were any other changes. There were none.

On a Motion by Ms. Guill, seconded by Mr. Ripley, with all in favor, the Board of Supervisors approved the minutes from the Budget Workshop meeting held on August 2, 2012 as amended for Harbor Bay Community Development District.

FIFTH ORDER OF BUSINESS

Consideration of Minutes from the Board of Supervisors' Meetings Held on July 26 and August 2, 2012

Mr. Scarola requested that the term "scope of work" on line 214 be changed to "specifications".

On a Motion by Mr. Collins, seconded by Ms. Guill, with all in favor, the Board of Supervisors approved the minutes from the Board of Supervisors' meeting held on July 26, 2012 as amended for Harbor Bay Community Development District.

On a Motion by Mr. Stumpf, seconded by Mr. Collins, with all in favor, the Board of Supervisors approved the minutes from the Board of Supervisors' meeting held on August 2, 2012 as presented for Harbor Bay Community Development District.

SIXTH ORDER OF BUSINESS

Consideration of Operation and Maintenance Expenditures for July 2012

Mr. Stumpf inquired about invoices from Lee Te Kim and whether the District should be reimbursed for one tree as it should have been covered under warranty. Mr. Brizendine stated that he would research the matter further.

On a Motion by Mr. Stumpf, seconded by Ms. Guill, with all in favor, the Board of Supervisors approved the Operation and Maintenance Expenditures paid during the period of July 1-31, 2012 (\$200,391.38) as discussed for Harbor Bay Community Development District.

SEVENTH ORDER OF BUSINESS

**Consideration of Operations and
Maintenance Expenditures for July 2012 –
Mira Bay Amenity Center**

There were no questions regarding any of the expenditures.

On a Motion by Ms. Guill, seconded by Mr. Hatcher, with all in favor, the Board of Supervisors approved the Operation and Maintenance Expenditures paid during the period of July 1-31, 2012 (\$60,509.83) for the Mira Bay Amenity Center, for Harbor Bay Community Development District.

EIGHTH ORDER OF BUSINESS

**Consideration of Request from Sea Crest
HOA**

Mr. Brizendine reviewed a letter submitted to the Board by an attorney representing the Sea Crest HOA requesting the District reimburse them \$26,235.08 for maintaining District Property no later than tomorrow's date. He stated that he contacted both the attorney and the HOA president to inform them that the Board would not be meeting again until tonight and no action could be taken without Board authorization. Mr. Earlywine stated that it would be appropriate to discuss this matter in a shade session since it relates to a legal matter; however, a shade session cannot be scheduled until the legal action has been filed. He recommended that the Board authorize District Staff to submit the required advertisement to hold a shade session if litigation commences.

On a Motion by Ms. Guill, seconded by Mr. Hatcher, with all in favor, the Board of Supervisors authorized District Staff to submit the required advertisement to hold a shade session if litigation occurs in connection with Sea Crest HOA's Demand Letter for Harbor Bay Community Development District.

A question was raised as to whether the HOA Board authorized this action. Neither Mr. Brizendine nor Mr. Earlywine were able to provide a definitive answer. A brief discussion ensued regarding estimated costs should this matter go to court and where those funds would come from. It was stated that a budget has not been prepared for this matter and that funding would have to come from adjustments made to the fiscal year 2012-2013 budget being presented today.

NINTH ORDER OF BUSINESS

**Public Hearing on Fiscal Year 2012-2-13
Final Budget**

Mr. Earlywine stated that there will actually be two public hearings held today with the first being to discuss the fiscal year 2012-2013 budget and the second relating to imposing the assessments to fund the approved budget. He explained that two things need to occur in order for assessments to be valid. The District must be able to show that the properties being assessed receive some benefit from the services provided and second the assessment must be fairly and reasonably allocated to the affected properties.

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On a Motion by Mr. Hatcher, seconded by Ms. Guill, with all in favor, the Board of Supervisors opened the public hearing on fiscal year 2012-2013 final budget for Harbor Bay Community Development District.

Mr. Brizendine stated that the public hearing was duly advertised, as well as notices mailed to affected property owners according to Florida Statutes. He noted that there were several members of the general audience in attendance.

Mr. Brizendine stated that the operations and maintenance budget totaling \$3,741,205 is essentially the same budget that was approved during the budget workshop and the subsequent special meeting. It has an administrative total of \$1,308,797, a field operations total of \$2,102,312, and a contingency amount of \$330,096. Mr. Brizendine noted that he updated the actual utility costs through July and made a few adjustments to the projections for next year and decreased the contingency amount accordingly. He reviewed various line items including the items planned as capital improvements to be completed next year. The Enterprise Fund budget submitted by WTS and debt service budget were also reviewed, as well as the proposed assessment levels.

Audience comments were entertained regarding street sweeping and whether it is being done on a regular basis and encompasses all of the streets within the District; concerns with increased vandalism and the need for security cameras and patrols; and the need to repair fascia boards when the gutters are replaced. It was noted that the street sweeping is for all District streets and money has been included in the budget for this service, as well as funding to address security issues but no decisions have been made regarding the most efficient way to utilize that funding. It was also noted that the question of the fascia boards will need to be addressed at the time the painting proposals are discussed.

Mr. Stumpf asked for and obtained an update on the status of the security proposal. Mr. Brizendine stated that definitive proposals have not been obtained to date, just general ones for budgeting purposes. However, Kristy has indicated that it may be difficult to obtain both lights and card readers for the basketball courts under \$50,000. Ms. Guill requested that the Board vote on individual items included under Capital Improvements rather than lumping them all together. A brief discussion ensued regarding the specifications for the painting project that do not include the boat dock, the license plate readers for the gates, cameras for the clubhouse, and the fact that anyone observing questionable behavior should contact the police directly and not the greeters at the gate.

Mr. Scarola stated that he has been made aware of another infrastructure issue with the retaining wall along the south side of the pool deck. He stated that his inspection revealed that the piling cross sections have been eaten away and are essentially non-existent, leaving the wall with no support. Based on this, he asked Hecker Construction to provide him with an estimate to make the necessary repairs even though there is no impact on the pool at this time. He indicated that he is fairly confident that there will be at some future date. He reviewed the proposal totaling \$28,500, stating that he is not ready to accept the proposal as there are no as-builts for the area and they are unsure of what will need to be done below ground. Mr. Scarola stated that he is hesitant to request an engineering study as it will only lead to more questions. A question was raised as to whether the original pilings came with any warranty. It was stated that research would need to be done to ascertain an answer to that question.

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A brief discussion ensued with a motion being made to change line 112 (Capital Projects) to miscellaneous contingencies given the number of unknown expenses that have come to light today. It was noted that the total would remain at \$180,096 and the change would nullify the request to approve the capital projects on an individual basis. Mr. Stumpf expressed concern with the frequency that the Board earmarks funding for a particular project and then utilizes the funds for something else.

On a Motion by Ms. Guill, seconded by Mr. Collins, with four in favor and one against (Paul Stumpf), the Board of Supervisors reclassified the funds allocated for Capital Projects to Miscellaneous Contingencies for Harbor Bay Community Development District.

Mr. Brizendine stated that the District would have the ability to tap into the reserve account to cover this expense, but he does not recommended this being done as it is in the District's best interest to establish the reserve account. With no other comments being heard, Mr. Brizendine presented Resolution 2012-09 and asked for a motion to approve it.

On a Motion by Mr. Ripley, seconded by Mr. Collins, with all in favor, the Board of Supervisors approved Resolution 2012-09, adopting the fiscal year 2012-2013 for Harbor Bay Community Development District.

He asked for a motion to close the public hearing.

On a Motion by Ms. Guill, seconded by Mr. Collins, with all in favor, the Board of Supervisors closed the public hearing on fiscal year 2012-2013 final budget for Harbor Bay Community Development District.

TENTH ORDER OF BUSINESS

Public Hearing on Assessments

On a Motion by Ms. Guill, seconded by Mr. Hatcher, with all in favor, the Board of Supervisors opened the public hearing on assessments for Harbor Bay Community Development District.

Mr. Brizendine stated that the public hearing was duly advertised, as well as notices mailed to affected property owners according to Florida Statutes. He noted that there were several members of the general audience in attendance.

Mr. Brizendine stated that included in the budget packet is the assessment methodology showing the calculations by product type. He noted that it is the same methodology that was approved by the first Board. Mr. Brizendine stated that Mr. Cox from Rizzetta reviewed the methodology for the Board at an earlier meeting and reminded the residents that assessments are collected on the tax bill. He explained that just as with the taxes there is a 4% discount for payment in November, which is reduced by 1% over the next few months with the final date for payment to be made without penalties in April.

There were no questions from the members of the audience or Board regarding the assessments or associated resolution.

On a Motion by Mr. Stumpf, seconded by Mr. Hatcher, with all in favor, the Board of Supervisors closed the public hearing on assessments for Harbor Bay Community Development District.

Mr. Brizendine presented Resolution 2012-10, stating that it approves the assessments as discussed and authorizes management to submit the tax roll to the County.

On a Motion by Mr. Collins, seconded by Ms. Guill, with all in favor, the Board of Supervisors approved Resolution 2012-10, imposing assessments and certifying the assessment roll for Harbor Bay Community Development District.

ELEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2012-11,
Setting the Meeting Schedule for Fiscal
Year 2012-2013**

Mr. Brizendine stated the next resolution sets the meeting schedule for the next fiscal year beginning in October and running through September 2013. He stated that presently the Board meets on the fourth Thursday of each month at 5:30 p.m. A brief discussion ensued regarding conflicts during the months of October, November and December. It was decided to hold the November and December meetings on the third Wednesday.

On a Motion by Mr. Stumpf, seconded by Mr. Ripley, with all in favor, the Board of Supervisors approved Resolution 2012-11 setting the fiscal year 2012-2013 meeting schedule as the fourth Thursday of each month (with the exception of the months of November and December when they will meet on the third Wednesday) at 5:30 p.m. at the MiraBay Clubhouse, located at 107 Manns Harbor Drive, Apollo Beach, Florida 33752 for Harbor Bay Community Development District.

TWELFTH ORDER OF BUSINESS

Review of District's Financial Forecast

Mr. Brizendine provided a brief overview of the District's financial status, noting that the District currently has \$849,393 in its cash and reserve accounts and based on straight line average projections should have approximately \$294,440 at that end of the fiscal year. He stated that this should be enough to get the District through the month of October and confirmed that he has spoken with Newland regarding the possibility that the District will need at least a portion of their assessments early again this year.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
No Report

B. District Engineer

Mr. Scarola informed the Board of discussions with the ECC that led to the consideration of storing the items in a trailer that would allow for easy transportation of the materials where needed. If approved that only thing that the ECC will be looking for from the District would be a parking space for the trailer.

Mr. Scarola provided a synopsis of how he became involved in the process of preparing the specifications to be used in obtaining equivalent proposals for the painting project and where things stand on this matter. He stated that he spoke with Sherwin Williams and obtained specifications with them and Kristy has taken pictures of the areas in questions to put with the specifications. Mr. Scarola stated that while progress has been made, the process is not ready to present to the Board at this time.

Mr. Scarola asked for direction from the Board regarding the retaining wall repairs, stating that he is not able to give the Board a timeframe for when the wall might fail. Following a brief discussion regarding funding, the Board decided to approve a not-to-exceed amount of \$28,500 to initiate the repairs. Mr. Scarola recommended that an Agreement be drawn up with Hecker Construction ensuring that they not do complete work beyond the \$28,500 and will cease work at any point during the project as directed by the Board.

On a Motion by Mr. Ripley, seconded by Mr. Hatcher, with all in favor, the Board of Supervisors approved a not-to-exceed amount of \$28,500 for repairs to the retaining wall as discussed and authorized District Counsel to draft the agreement for Harbor Bay Community Development District.

A brief discussion ensued regarding issues with the ADA chair lift; whereas the chair is very jerky while operating and he is working on the matter. It was noted that other District's have had similar issues and some have actually stopped functioning.

Mr. Scarola stated that he did an inspection of the pool equipment and met with a representative of the maintenance company to discuss various options to address some of the current concerns. He noted that there is a leaking valve, as well as the slide is continuing to leak and will require sandblasting and repainting to repair it.

Mr. Scarola reported that this was the month for the SWFWMD inspection and he has received the certification back from them.

C. Club Manager – Mindy Anderson

Ms. Anderson stated that the Clubhouse continues to run above projected sales and they are continuing to monitor use of the pool by non-residents.

Ms. Anderson stated that based on the number of guests logging in and head counts taken during the last month only 4% users were not residents. Guests are now primarily coming through the main entrances and residents are asked to complete liability forms for their guests as they enter. A brief discussion ensued regarding a potential issue of the gates being left open during the swim club's use.

Ms. Anderson announced that Jen Ashley has been promoted to Café Supervisor following the resignation of the former supervisor.

Ms. Murphy updated the Board on upcoming events that include an ice cream social, the start of the greatest loser fitness program, annual margarita madness party, and the sale of tickets for casino night. She stated that there is also a new club starting called the Adventure's Club.

D. District Coordinator- Kristy Owens
Not present

E. District Manager
Mr. Brizendine stated that the water readings from the County indicated that water levels are holding and the last invoice was less than normal.

Mr. Brizendine informed the Board that Mr. Huber will be taking over as the District Manager, stating that he has over 6 years of experience and is quite capable of addressing any of the issues that the District might face.

FOURTEENTH ORDER OF BUSINESS

**Supervisor Requests & Audience
Comments**

Supervisor Requests

There were no Supervisor requests put forward.

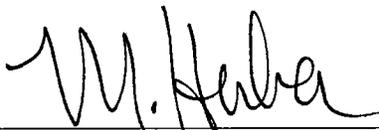
Audience Comments

A resident inquired about the Cannon lot that is not being mowed and was told that this is actually an HOA matter.

FIFTEENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Stumpf, seconded by Ms. Guill, with all in favor, the Board adjourned the meeting 7:12 p.m. for Harbor Bay Community Development District.



Secretary/Assistant Secretary



Chairman/ Vice Chairman