

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 continued meeting of the Board of Supervisors of Harbor Bay Community Development District was held on **Wednesday, September 8, 2011 at 5:30 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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| Ed Stone | Board Supervisor, Chairman |
| Rip Ripley | Board Supervisor, Vice Chairman |
| Julie Guill | Board Supervisor, Assistant Secretary |
| Paul Stumpf | Board Supervisor, Assistant Secretary |
| Tom Hatcher | Board Supervisor, Assistant Secretary |

Also present were:

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| Scott Brizendine | District Manager, Rizzetta & Company, Inc. |
| Jere Earlywine | District Counsel, Hopping, Green & Sams, P.A |
| Steve Medendorp | Litigation Counsel, Brickleyer, Smolker & Bolves, P.A. |
| Court Reporter | |

FIRST ORDER OF BUSINESS

Call to Order

Mr. Brizendine called the meeting to order and conducted roll call.

SECOND ORDER OF BUSINESS

Shade Meeting

Mr. Brizendine announced that the purpose of today's continued meeting was to hold a shade meeting relating to the ongoing litigation. Mr. Earlywine stated that the meeting should last approximately 30 minutes and named the parties attending the shade session.

Mr. Brizendine called for a recess of the regular meeting at 5:32 p.m.

Mr. Brizendine reconvened the meeting at 6:30 p.m., with all Board members and Staff present and accounted for.

THIRD ORDER OF BUSINESS

Follow-up on Shade Meeting

Mr. Earlywine stated that during the shade session a settlement offer was presented to the Board and he would like a motion to accept the offer. Mr. Medendorp confirmed that the agreement is with Custom Docks by Sea Master. Mr. Earlywine confirmed that the Chairman is authorized to execute the agreement.

On a Motion by Ms. Guill, seconded by Mr. Stone, with all in favor, the Board approved the Settlement Agreement with Custom Docks by Sea Master in substantial form and authorized the Chairman to execute once finalized for Harbor Bay Community Development District.

Mr. Medendorp confirmed that the terms of the agreement call for payment within 30 days of execution. A brief discussion ensued regarding how and where the funds would be held until such time as they are needed and the need to hold another shade meeting. District Counsel stated that the process for handling the funds would be in place before the 30-day period ends. He also recommended that another shade meeting not be scheduled until such time as another settlement offer is made. Mr. Earlywine recommended that if Board Supervisors would like updates regarding the litigation, that they call Mr. Medendorp or Mr. Bolves directly. A question was raised by a Board Supervisor regarding an invoice relating to the litigation, and District Counsel recommended that the Board Supervisor contact Mr. Medendorp or Mr. Bolves directly to discuss the question.

Mr. Medendorp stated that there is a status session with the judge on the 12th and he is optimistic that he will have an indication if the judge wants to proceed with the trial on March 19, 2012.

(Mr. Medendorp left the meeting.)

FOURTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Earlywine provided a brief update on the status of the settlement agreement with Greenbriar, stating that he received a signed agreement late this afternoon. He stated that he is comfortable with the changes made as they do not affect the substantial form of the agreement. Mr. Earlywine confirmed his understanding of the motions made relating to the agreement and the letters needing to be sent to the Sea Crest HOA and Lee Te Kim Landscaping. He confirmed that the Board would be comfortable with him sending out the letters without the Board reviewing them in advance.

Mr. Brizendine presented a copy of the proposal from Mr. Kim to maintain Area A, stating that the price has been reduced to \$800 per month. He explained that the proposal does not include the scope of services, but it is his understanding that it is based on the scope of services provided to them by Mr. Toborg and Greenbriar. A brief discussion ensued.

On a Motion by Mr. Stone, seconded by Mr. Ripley, with all in favor, the Board approved the proposal from Lee Te Kim to amend the existing contract adding Area A at a cost of \$800 a month for Harbor Bay Community Development District.

B. District Manager

Mr. Brizendine informed the Board that another large water bill was received and a brief discussion ensued regarding the need to monitor the pool for water loss. A request was made that the auto-fill be turned off and the water loss measured on a daily basis rather than risking another large water bill. Concern was expressed with repairs that were recently made and the lack of warranty that was provided based on the issues discovered at the time the repairs were made.

A brief discussion ensued regarding the need to consider the possibility of shopping pool maintenance services. The possibility of meeting with the current vendor to express the Board's concerns was put forward and a request was made that proposals be obtained for pool services. District Counsel asked to be provided with a copy of the current contract for his review regarding the termination clause.

Mr. Stone informed the Board of the status of obtaining the GPR testing and the process involved in draining the pool, taking the required borings, etc. It was stated that it would make sense to do the resurfacing at the same time and the timing would be December or January. A discussion ensued regarding whether the GPR testing would be effective. It was stated that the District Engineer is recommending that a geotechnical engineer be involved in determining the extent of the damage, etc. It was noted that the proposals to do the GPR testing and from HSA Engineering should be in next week.

Discussion was held regarding who would be responsible for monitoring the water flow into the pool and water levels until the repairs can be made. It was decided to ask Hawkins to be the responsible party providing there would be no additional fees. Otherwise, maintenance staff would be asked to handle it. A comment was made that the District needs a full time property manager on site, but it was countered with the suggestion that current maintenance staff could be more effective if a task list was utilized to ensure that weekly inspections are completed to identify problems before they become major issues and to prioritize projects.

FIFTH ORDER OF BUSINESS

Supervisors

Mr. Stone read correspondence from Richard Bailey, one of the arborist inspecting the palm trees, which indicates that the overall condition of the palms is good and the inoculums and fertilization plans are adequate.

Mr. Ripley noted that oaks along the streets are not being trimmed appropriately and there are issues with the trees hindering sidewalk passage. A request was made that the District send a letter to the HOA requesting that they enforce all of the covenants and require that the trees be trimmed for safety reasons.

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On a Motion by Mr. Ripley, seconded by Mr. Stone, with all in favor, the Board authorized District Management to send a letter to the HOA to address the issue of trimming the oak trees for Harbor Bay Community Development District.

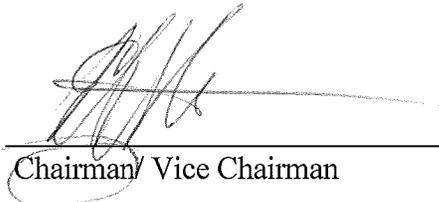
A question arose as to whether an incident that occurred just prior to the opening of the pool and actually delayed its opening might be the cause for the underlying issues that are being seen at this time. It was stated a conference call is being scheduled to consider this matter.

SIXTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Stone, seconded by Mr. Stumpf, with all in favor, the Board adjourned the meeting at 7:27 p.m. for Harbor Bay Community Development District.


Secretary/Assistant Secretary


Chairman/ Vice Chairman