

**MINUTES OF MEETING
ARBOR GREENE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Arbor Greene Community Development District was held on Monday, June 19, 2006 at 6:30 p.m. in the Gathering Room of the Arbor Greene Recreation Center, 18000 Arbor Greene Drive, Tampa, Florida.

Present and constituting a quorum were:

John Brickley	Chairman
David Bootcheck	Co-Vice Chairman
Christine Nelson	Co-Vice Chairperson
T. Dorsey Yawn	Assistant Secretary
Mike Lozicki	Assistant Secretary

Also present were:

Bob Fernandez	District Manager
Tracy Robin	Attorney
Barbara Koscinski	Arbor Greene Office Manager
Gary Smith	Arbor Greene Maintenance
Tom Medlock	OLM Landscape, Inc.
Carol Gravante	Resident
Yvette Chaffin	Resident

The following is a summary of the minutes and actions taken at the June 19, 2006 Arbor Greene Board of Supervisors meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Brickley called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

**OLM Landscape Consultant Presentation
by Mr. Tom Medlock**

- Mr. Medlock gave a short briefing on his background.
- OLM was formed in 1988, and began doing work in Florida in 1989.
- Mr. Turner recommended Arbor Greene should solicit for landscaping contractor bids, and Severn Trent recommended this process along with OLM.

- OLM sends out specifications which force the contractor to bid uniformly with a stipulation of 75% as base payment, and the remaining 25% paid out based on meeting the specifications.
- OLM rewrites the standards and specifications.
- OLM does approximately 3,000 site inspections per year.
- If the contractor meets the standard when the monthly inspections are done and scores 88 or above they receive the remaining 25%.
- If the contractor does not score 87 or above they lose the remaining 25%.
- OLM has a proven system which gives consistency, protects assets, and makes the property look the way it should, which is the key to their success.
- OLM will prepare the standards, collect the bids and do a bid summary which is given to the Board.
- OLM will help support Severn Trent in making the final decision.
- This stipulation eliminates many unqualified bidders because they know they must be consistent and do the work as specified.
- OLM writes the specifications and standards and ensures all necessary services are included.
- Part of OLM's service is supporting these specifications and putting a system in place which protects the community.
- They will perform a monthly inspection in which they meet with the contractor or property management group.
- Mr. Smith and Mr. Medlock worked together in 1993 for another development group, performing this same service.
- OLM will also defend a contractor if necessary.
- The performance payment is important because it ensures the contractor lives up to their contract.
- OLM also does this with janitorial services in high-rise office buildings.
- OLM will tell the Board whether or not they believe full payment should be processed.

- OLM will also tell the Board if they do not believe the contractor met the standards and recommend to withhold the performance payment which gets the contractor's attention, and they will want to know why they are not receiving their payment.
- The company actually has knowledge of the plants to know exactly what is going on, and may in turn save money on plants.
- The landscaping contract will also be re-bid, since OLM is going to work directly with the landscaper.
- The specifications guarantee success because Mr. Medlock is aware of the expectations.
- OLM will put the specifications together; have a pre-bid meeting with all the contractors on site and submit all specifications to the Board.
- If there is no savings to the CDD, there is no compensation for OLM.
- If there is a savings to the CDD, OLM will get 50% of the savings.
- The monthly cost for the inspection is typically \$1,500 per month, but will be decided after the bid process is done.
- OLM has four consultants assigned to the Tampa area.
- Most of OLM's landscape consultants have worked with developers in the past.
- OLM has a 30-day cancellation stipulation if the CDD is not happy, and there is no long-term obligation.
- All bids and specifications are done electronically.
- OLM looks at production which includes size of the turf and size of the mower which is going to be used.
- Mr. Medlock will send the agreement to Severn Trent.

EIGHTH ORDER OF BUSINESS

General Manager's Report

- Ms. Gravante was introduced to Mr. Turner by the person who is in charge of Arbor Greene's water aerobics and yoga.
- Ms. Gravante's program involves creative movement and music appreciation strictly with children.
- Ms. Gravante submitted her resume and proposal to Mr. Turner.

- Ms. Gravante charges \$8 per child for a one hour exercise session, which is the going rate in schools.
- She suggested charging \$9 per child and giving the extra \$1 to Arbor Greene for profit.
- Most of her work was done locally in New Jersey.
- She is a certified instructor with the American Aerobics Association International.
- She wanted to start in July, but the Board suggested she start in August in order to establish and market her services via television, the billboard, newsletter and website.
- Mr. Brickley wants to keep this program strictly for Arbor Greene residents.
- Ms. Gravante suggested the parents can participate in the water aerobics and other programs while their children participate in this program.
- Ms. Gravante also suggested having a Mommy & Me class for toddlers.
- Ms. Gravante will be the primary supervisor over the children.
- For younger children of three and four years old, she will probably ask one of the parents to participate as an aide and give a discount of half of the cost.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor Ms. Carol Gravante was authorized to establish and market her exercise program entitled "We Are Fit" on a 30-day trial basis from July 1, 2006 through July 31, 2006.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the May 15, and June 5, 2006 Meetings

Mr. Brickley stated each Board member received a copy of the minutes of the May 15 and June 5, 2006 meetings and requested any additions, corrections or deletions.

- On Page 9 of the May 15th minutes in the bullet above the third order of business, Ms. Nelson did not recall all of this information being on the checklist sent by Mr. Fernandez, and the Board wants to see a more detailed checklist.
- On Page 17 of the May 15th minutes, Ms. Nelson inquired about the results from the energy audit, which is included in today's General Manager's report.

There being no further comments,

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the minutes of the May 15 and June 5, 2006 meetings were approved.

FOURTH ORDER OF BUSINESS

Approval of Financial Statements

- As of May 31, 2006, Arbor Greene is basically at 91.3% of budgeted income and 56.5% over expenses.
- Mr. Brickley included some issues for resolution and a couple of changes to the budget line items.
- Mr. Fernandez included Exhibit A which is basically a response to an issue in the FY 2007 budget concerning annual gross adjustments and how the capital reserve will be funded.
- The Debt Service column compares the 2006 and 2007 debt service. In each parcel, this column shows the difference in the assessment amount for debt service realized from the refunding. The difference was applied to the General Fund 001 column for FY 2007. For example, in Parcel A the O&M assessment would have been \$684 based upon this budget which can change as the budget is amended. The difference is added from the debt service column. Therefore, the savings to the O&M assessment was increased from \$684 to \$826. The FY 2007 column shows the assessment adjusted up in the same amount the debt service decreases.
- Ms. Nelson believes homeowners are going to think their assessments increased if they see this.
- Mr. Brickley disagreed.
- Debt service and O&M added together is going to show a higher total assessment number.
- This year's assessment bills will show \$826 because the funds are going to be put aside in the capital reserve fund.
- The assessment has to be increased to generate the money to put aside in the fund.
- Although the CDD realized savings from refinancing the bonds, the bond proceeds cannot be used to fund projects not specifically identified. Therefore,

the O&M assessment was increased in the same amount as the debt service assessment was decreased.

- The two aspects involved in the annual assessment are long-term debt service and O&M. Part of the O&M budget includes lights, landscaping and reserves. The debt service decreased and O&M increased, but at the end of the year when you combine the two, the total tax bill is going to be the same.
- The Board approved funding the capital reserve out of the savings from the debt service as a result of the refunding. However, this cannot legally be done from the debt service savings alone.
- The numbers in the percentage change column under Total Assessments Per Unit were done before the adjustment was made. The total assessments are not going to decrease 14%, but will remain the same. Essentially, 14% is being distributed among the parcels in the O&M assessment.
- The full O&M side has not been resolved. Potentially, the O&M expenses for 2007 are going to be less than 2006.
- Mr. Brickley asked Mr. Fernandez to run this by Ms. Ellis to ensure everyone agrees.
- It is still being verified whether or not 10% of homeowners have to pay their assessment if income is at 91% after the drop dead date on tax bills.
- The actual assessment revenue for the year is \$1,406,381. Arbor Greene is currently at \$1,248,447, of which one-third is the developer's assessment which has not come in. Therefore, \$100,000 is currently unaccounted for.
- The tax sale has historically been the last week in May. When certificates are sold to investors, the county and the investor receive their funds immediately. The certificate holders hold the certificate on the delinquent residences. Therefore, the developer's assessment should come in fairly soon.
- This number is built on our expense budget for the year and the assessment is built to accommodate this.
- With regards to the May financials, the new codes will continue into Fiscal Year 2007.

- The amount for Office Expenses and Supplies on Page 2 of the May financials was for setting up Mr. Turner's office.
- Mr. Fernandez spoke to the accountant to verify whether or not the administrative fees on Page 2 with the exception of website development and insurance are Severn Trent expenses which are expensed back to the CDD. The accountant said no, but did not elaborate further. Mr. Fernandez will speak to her again for more detail.
- Some of the printing expenses had to do with the bond refunding.
- The annual district filing fee is paid to the State for every district on its behalf.
- The website and insurance invoices are the only ones which go directly to the CDD.
- Rentals and Lease is for space Severn Trent uses for records storage.
- Ms. Nelson determined budget versus actual is \$143,000 off.
- Postage and Printing on Page 3 was for the newsletter.
- All bond issue printing expenses came directly out of the bond issue.
- The audit should be coming to an end. The refunding delayed and complicated the audit.
- The auditors look at everything affecting the financial condition of the entity, and there may have been considerations in the refunding affecting the audit.
- The auditors asked for a copy of the Official Statement which probably means they intend to incorporate the bond refunding into their considerations.
- The Board wants someone from the auditing firm to attend the meeting.

On MOTION by Mr. Lozicki seconded by Mr. Yawn with all in favor the financial statements dated April 30, 2006 and May 31, 2006 were approved.

FIFTH ORDER OF BUSINESS

District Manager's Report – Questions and Comments on the Revised Budget

Mr. Brickley made the following changes:

- Board Supervisor fees decreased from \$16,148 to \$15,000.
- Payroll: Part-time Staff increased from \$65,000 to \$70,000.

- Payroll: Lifeguard Staff increased from \$10,000 to \$15,000.
- Mr. Yawn proposed dividing Administrative Fees into Arbor Greene Fees and Severn Trent Fees.
- The amount in Payroll: General Manager is a targeted figure Mr. Brickley worked out with Mr. Turner.
- Performance Recognition is a new line item which Mr. Turner requested in terms of recognizing staff birthdays and other big events.
- Mr. Brickley is going to review the Cleaning Supplies increase with Mr. Turner.
- The budget for Equipment Rental in 2006 increased from \$600 to \$12,100 because Arbor Green was leasing the pool equipment for both pools. Therefore, they going to buy out the lease in 2007 in order to save \$1,000 in interest over the next couple of years.
- R & M – Pool increased from \$12,000 to \$23,000 because the sun shelters need replacement; the deck is going to be repainted; and a new heat pump is going to be installed to heat the pool in the winter.
- Capital Improvements decreased from \$53,000 to \$30,000 because most major expenses were for the new furniture and fitness equipment. Capital improvements will include the snack bar bathroom and the tennis backboards, among other things.
- There will also be additional expenses with electricity since lights are going to be added.
- The maintenance contract as well as the budgeted figure for 2006 is larger than the actual contract. A 7½% increase was added to the potential figure for the contract not knowing what it will be and not realizing at the time OLM will be involved in this role.
- A new line item under Lake, Wetland & Upland Maintenance is Reports, which is based on SWFWMD reports.
- Street Lighting Maintenance/Replacement was increased for repainting of some of the street lighting.
- Bar Codes under Gatehouse increased from \$500 to \$5,600 because additional bar codes need to be purchased.

- Gatehouse Attendants was decreased to \$103,455 which is the actual contract figure, but the figure was increased by 7½% to \$112,000, pending re-bidding of this contract.
- Electric – Irrigation Pump Station was decreased to \$4,000, but needs to be reviewed.
- Financings and Operating Capital Reserve were reduced because it has not been used and Arbor Greene is going to build its own reserve.
- Ms. Nelson thought it was funds saved from renegotiating the contract which was put into a Capital Reserve Account, but those funds normally show up in the fund balances.
- The adjusted assessment is going to increase the capital reserves by \$19,960, but the reserve accounts were not yet identified.
- The Capital Reserve Account needs a specific definition for any future projects.
- The Board identified repaving of the roads in approximately 15 years as a significant future expense, and Mr. Robin believes the Board should preserve the account for this purpose.
- A new line item called Capital Projects Reserve will be added. The amount will be calculated from the difference between what the assessment would have been and what is being added from the savings of the debt service reduction times the number of units.
- There will be a savings of more than \$926,000 over 13 years.
- This amount will change as adjustments are made to the budget in order to equal the amount of savings from the debt service.
- After some discussion, it was decided \$9,395 in Financings and \$30,000 in Operating Capital Reserve needs to stay this way until the Board can determine where these numbers came from.
- Those amounts go back to the Fund Balance unspent, but it can be budgeted in the next year as a reserve.
- You can see what the projected Fund Balance is for the end of this fiscal year based on the current projections if it increases by \$83,000 from where it was last

year. This means you are projected to spend approximately \$83,000 less than you are projected to take in, which is added to the existing fund balance.

- The Fund Balance Carry Forward of \$50,000 was discussed. Since it is used as revenue and there is an excess fund balance, it is available for appropriations in the next year. Alternatively, if the funds are removed assessments will have to increase from \$50,000 to balance the budget or expenditures will have to be decreased.
- There is a major list of projects from Mr. Turner which will have a major budgetary impact, and \$30,000 which was budgeted under Capital Improvements may not be enough.
- Ms. Nelson suggested adding \$70,000 which was saved from the refinance to the \$30,000 increasing Capital Improvements to \$100,000.
- The Board discussed the possibility of continuing this meeting when Mr. Turner returns, but decided it was not necessary.
- It is necessary to separately identify the savings from the refunding in order to avoid spending it as capital needs arise, but reserve it for future projects.
- The Board may need to develop a Capital Improvements Plan for these projects.
- The Board agreed to add a new line item, Capital Projects Reserve in the amount of approximately \$72,000.
- Ms. Nelson stated that a major project, such as road repavement will require floating of a bond, due to the major expense in the millions.

SIXTH ORDER OF BUSINESS

Attorney's Report

- Since Mr. Robin believes the latest minutes are close to verbatim, he suggested Severn Trent prepare the minutes in verbatim and summary in order to give the Board the opportunity to accept them before approving a changeover to summary.
- Recently, a district became involved in a bid protest through an unusual set of circumstances on a landscape contract, and during litigation the inaccurate minutes were used against the district.
- Much of the detail in the last minutes probably resulted from the refunding.
- Minutes should be kept in a generalized format.

SEVENTH ORDER OF BUSINESS Engineer's Report

There being no report, the next item followed.

NINTH ORDER OF BUSINESS

Presentation by Mr. Michael Cachon of Lennar Homes to Discuss the Plans and Impact of Building 140 Townhomes

This item was tabled.

EIGHTH ORDER OF BUSINESS General Manager's Report (Continued)

Since Mr. Turner was not present, Mr. Brickley summarized his report.

More Damage to Retreat Gate

- \$2,303 was received back from the insurance company from the first time it was hit.
- It was hit two additional times since then, which will cost approximately \$2,300 to repair. If these incidents do not go back to a particular resident or guest, it will go against the retreat gate allocation thereby requiring an assessment increase for next year.

Resident Request for Lake/Sump #100 Repairs in the Trace Village

- Creating a new pond requires approval from SWFWMD, which will probably take one year in terms of permitting.
- Mr. Bartelt recommended modifying the well pump irrigation system at a cost of approximately \$700, which does not require Board approval since this is within Mr. Turner's authority.

Lifeguards for Summer Season Update

- There are eight lifeguards staffing the pool to include swim practices until 8:00 p.m. daily.
- The pool will be staffed next year (Fiscal Year 2007) from the last day of school as opposed to waiting until the last weekend of the month.

Table Tennis in the Community Center Update

- To date, five individuals have used the table almost everyday.
- Mr. Turner recommended purchasing the table for \$300 and specifying guidance or restrictions for use.

- Mr. Brickley recommended continuing to using Mr. Turner's table and seeing if more residents participate in playing table tennis in order to determine whether or not it is feasible to purchase one.

Sand Volleyball Court Update

- It will probably cost approximately \$15,000 to \$20,000 for Welch Tennis Courts to do this work.
- Mr. Turner was looking at installing a noise barrier which will provide more security to Devonshire and put in a berm with some plantings to add some depth.
- Mr. Smith spoke to the project manager for the widening of Cross Creek. Potentially, there is a significant amount of dirt with clay which they will probably not be able to use.
- New Earthtones Inc. will create a 6' berm and bring in the sand and dirt for the volleyball court as well as shape the berm for a total cost of \$2,725.
- Greenview Landscaping will install 4,000 square feet of St. Augustine sod; bring in 64 three-gallon Viburnum and mulch; and install an irrigation system on the berm will be tied into the current irrigation system which works back toward the front gate for a total cost of \$4,620.
- There is a line item for landscape repair which is rarely used.
- Mr. Brickley signed off on the New Earthtones, Inc. invoice and Greenview Landscaping, Inc. proposal to be used in conjunction with the dirt from the proposed widening project.

Roller Hockey Rink Update

- This will require more research since many residents are against it.
- Parking is the main concern.
- Ms. Chaffin does not want the tennis facility to be affected by these projects.

Tennis Court Backboard

- Ms. Chaffin believes there should be a wall as opposed to a backboard.
- Mr. Brickley does not believe these estimates are correct.
- This wall is primarily for practice.

Gatehouse Security Cameras

- The new cameras were installed.

- There is also a camera at the entrance to the guard gate where the guard signs you in.

Energy Audit Update

- We are going to look at motion detectors.
- Some lights are going to be added for security purposes.

Gathering Room Update

- Everything was taken care of at no cost.

Roof Repair to Community Center

- This was done and stayed within the cost estimate of \$980 with a two-year guarantee.

Snack Bar Air Conditioning Update

- This was installed.

2007 Budget Recommendations from Residents

- Install speed bumps within the CDD.
- Place screens around storm drains to prevent trash from entering ponds and lakes.
 - The real problem is people throwing trash.
- Add a jacuzzi in the pool area; day use lockers in locker rooms; and a dry sauna and steam room in the locker rooms.
 - The facility was not designed for these amenities and installing a jacuzzi requires extending the facility.
- Install permanent signs for dealing with pet problems.
 - Most residents do pick up after their pets. Therefore, these signs are not necessary.
 - Perhaps it makes sense to include a reminder in the newsletter.

Monthly Usage Report

- Many amenities are being used by non-residents.
- The back gates should be locked.
- If residents spot non-residents using the facilities, they should be reported.

Construction on Cross Creek

- Washington Palms were removed and put by the tennis courts, but the rest of the island is going to be removed.
- The pavers are going to be saved.

SWFWMD Reporting Requirements

- \$10,000 is an estimate but a definite figure needs to be determined over the next year since we are paying to have the PSI Report done in order to get caught up.

ID Tags for Arbor Greene Residents

- A picture of it is included in the report.

Contract Status

- The Florida Gate Service and Greenview Landscaping contracts are the most important contracts which need to be handled at this time.

Sinkhole Depression Main Gate Exit Lane

- This is not really a sinkhole, but there is a depression on the outside lane of the main gate exit, which will be repaired as soon as possible before the rainy season begins.
- The same pavers will be used.

Pool Encroachment and Release of Drainage Easement

- Mr. Robin prepared the Quit Claim Deed and there is also a letter from Mr. Bartelt.
- Each time something like this happens, the same procedures will be followed.

Restroom in the Snack Bar

- Proposals are still being looked at.
- The estimate from Mott's Contracting Services lists the specific costs for each project component and includes overhead since they have to contract some of this work out.
- A major part of this work involves materials as well as concrete patching. This is something we have not agreed to do.
- The proposal from Alpaugh Plumbing & Supply in the amount of \$5,495 is for new plumbing only, and does not include fixtures or any other type of work which needs to be done.

Replenish Mulch in Playgrounds

- This is ongoing.

Vandalism/Damage to Arbor Greene Property

- The left exit gate to the Enclave Village was severely damaged.
 - Letters were sent to residents.
 - Repair is approximately \$3,000, but it may be more depending on motor damage.

- The possibility of installing cameras at these gates was discussed.
- Mr. Brickley will ask Mr. Turner to check on options for cameras.
- Parkview Telephone Directory screen was damaged by pellets.
 - The pellets were found inside the screen when it was repaired.

Refill Sinkhole Under Sidewalk

- Mr. Turner recommends the Board approve \$1,800 to investigate and repair the sink hole.
- It is not tied to the sprinkler system.

Personnel Staff Report

- The latest figures and costs are shown.

There a couple of issues on this report which require follow up.

TENTH ORDER OF BUSINESS

Supervisors' Requests

- Mr. Bootcheck requested the Chairman and supervisors fees for meeting attendance be increased from \$200 to \$250 before taxes.
- There is a statutory limit of \$400 per month, per supervisor.
- It is possible to include \$2,400 in the budget for this.
- There probably will not be any policy workshops in the next fiscal year.
- Some districts pay a flat fee no matter how many meetings they attend.
- The Statute's intent is to encourage meeting attendance thereby compensating the supervisor for actually attending the meeting rather than having a mechanism of getting paid regardless of attendance.
- Mr. Bootcheck asked does a pay increase for supervisors have to be voted on in the election?
- Mr. Robin responded you can vote yourself up to the maximum, up to \$200 per meeting.
- In order to get the maximum the District must have more meetings.
- There is going to be a budget workshop and regular meeting every month, unless something specific arises which the Board agrees on.
- At the next meeting during which the budget will be approved, the Board must determine the most reasonable time for CDD meetings, which is normally the

third Monday of the month and the prior Thursday for the budget workshop in order o have Friday to gain input for the regular meeting.

- Timing needs to be looked at in order to ensure the financial documents are received on time each month.

DUE TO CHANGES MADE TO THE MINUTES WHICH THE BOARD OF SUPERVISORS AUTHORIZED, THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK IN ORDER TO KEEP THE LAST PAGE CONSISTENT WITH SIGNATURES.

- The reimbursement issue is stated in the Statute, which says you are to be reimbursed \$200 per meeting up to a maximum of \$400 per month or \$4,800 per year.
- No action can be taken at a workshop meeting, but you are still paid.
- As of the next meeting, Mr. Brickley suggested doing away with looking at the listing of the check register detail because Mr. Turner and Ms. Koscinski are keeping a listing of invoices which are sent to Severn Trent with the appropriate coding.
- There was more discussion about OLM. Mr. Smith is in favor of bringing them on because they see problems which most of us will not see until the plant is dead, and their findings can affect what should be planted in its place.
- Their success is based on good specifications, intense monitoring and holding the contractor responsible. Most landscapers are aware of how they operate and know they have to meet the specifications.
- This is a low risk which does not involve any capital investment.

ELEVENTH ORDER OF BUSINESS

Audience Comments

There not being any the next item followed.


TWELFTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the meeting was adjourned at 10:05 p.m.


~~Michael Lozicki~~ *V. Dorsey Yawn*
 Assistant Secretary


 John P. Brickley
 Chairman