

**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, March 20, 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 Chairman
T. Dorsey Yawn	Assistant Secretary

Also present were:

Bob Fernandez	Severn Trent Services
Tracy Robin	Attorney
Harve Turner	General Manager
Brett Sealy	Prager, Sealy & Company (via phone)
George Wilkens	Tampa Tribune
Betty Jackson	Resident
Art Vetter	Resident
Phil Youngs	Resident
Norman Mendelsohn	Resident

The following is a summary of the minutes and actions taken at the March 20, 2006 Arbor Greene Board of Supervisors of meeting.

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Approval of the Minutes of the February 16, 2006 Budget Workshop; February 20, 2006 Regular Meeting and March 6, 2006 Policy Committee Workshop

Mr. Bootcheck stated each Board member received a copy of the minutes of the February 16, 2006 budget workshop and requested any additions, corrections or deletions.

- Mr. Bootcheck and Ms. Nelson did not attend the February 16, 2006 budget workshop. Mr. Yawn and Mr. Brickley did attend the workshop.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the minutes of the February 16, 2006 budget workshop were approved.

Mr. Bootcheck stated each Board member received a copy of the minutes of the February 20, 2006 regular meeting and requested any additions, corrections or deletions.

Mr. Brickley submitted comments regarding the minutes to Mr. Fernandez. Corrections will be included and made part of the official record.

On MOTION by Ms. Nelson seconded by Mr. Yawn with all in favor the minutes of the February 20, 2006 regular meeting were approved as amended.

Mr. Bootcheck stated each Board member received a copy of the minutes of the March 6, 2006 policy committee workshop and requested any additions, corrections or deletions.

- Mr. Yawn and Ms. Nelson did not attend the March 6, 2006 policy committee workshop.
- Mr. Yawn had a procedural question regarding the workshops. Are the recommendations made at workshops to be brought to the full Board for action?
- Mr. Fernandez confirmed the workshops are for discussion purposes only and approving the workshop minutes approves for the record that the meeting occurred.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the minutes of the March 6, 2005 policy committee workshop were approved.

FOURTH ORDER OF BUSINESS

Presentation by Mr. Brett Sealy of Prager, Sealy & Company to Consider 1996 and 1998 Long-Term Bond Refunding Options

- Mr. Draper of Prager Sealy & Company (PS&C) reviewed a list of materials presented to the Board; a letter summarizing four different refinancing options, a spreadsheet, and two different costs of issuance memorandums from similar transactions.

- Mr. Draper explained how, after a period of time, the District credit seasons as you get to a point in time of 100% build out and all the taxes are collected on the tax roll. You have good credit ratable by the rating agencies. Based on a number of credit criteria, a rating can be secured. The rating allows PS&C to secure a lower interest rate. This analysis estimates a rated refunding, no insurance. A rated refunding can get much lower interest rates, approximately 200 basis points or more of savings. This analysis assumes we can now get a rating and we think we can, based on our preliminary analysis.

Mr. Bootcheck asked do you think the fact we are at this point in time it is more market driven as in the rate, or is it more driven by the age of these bonds as it relates to community or a combination of both?

Mr. Sealy responded without a doubt it is both. We are in a very favorable interest rate environment. Our tax exempt rates have continued to come down. Since the community now has built out from an undeveloped parcel of land to the status where it is at today, you have a significant build out percentage, significant number of homeowners, and diversification of taxpayers in conjunction with historically low interest rates. The moon and the sun have opined in such a way you have two things going for you. As your investment banker we have a fiduciary responsibility to share with you what your options are. It is up to the Board to decide to proceed. Our intention today is to provide you with your options and tell you what the next step may be.

- Mr. Draper explained the first scenario; standalone refunding.
- The estimated par amount of the bonds issued would be approximately \$9 Million and the estimated interest rate on the average for the new bonds would be in the 4.7% to give you an idea the original bond issues were issued at a 7.6% interest rate and a 6.3% interest rate respectively. You can see over time, with the seasoning of the credit as well as a historically low interest rate environment for our market, that is where the savings are being generated. This assumes we will issue these bonds in conjunction with the call date, which is another factor where we are at today. We have a call date on both of these bond issues of May 1, 2006. The estimated annual debt service savings would be approximately \$140,000 annually. The net present value, over time, is approximately \$1,980,000. The

percentage of refunded par of 10.8% means the barometer of State and local municipalities use for gauging whether or not a refunding is economically feasible. If a refunding idea with the savings levels in the 3% to 5% range were brought to the City of Tampa, they would consider it heavily. If they were north of 5% they would without a doubt pull the trigger on it immediately. A 10.8% savings is very attractive.

Mr. Yawn asked is that net par value savings net of every possible cost and expense incurred in going through this?

Mr. Draper responded yes, absolutely. These transactions are structured to bring that number net of all the costs associated with it. You can refer to the memorandum as a barometer for some of the additional costs. A number of the costs are contingent on whether or not there is a bond issuance. There are certain costs if the Board decides to go out and secure a rating, that is somewhere in the \$10,000 to \$15,000 range and is a non contingent cost. Our fee, along with a number of the other professionals involved in the actual transaction are listed here and work on a contingent basis. If the District issues bonds we get paid and if the District does not issue bonds we do not get paid. I am only speaking to our Bond Counsel fees, not your District Attorney or Management fees.

- The discussion continued regarding the percentage of savings. Mr. Sealy explained the 10.8% is both the net present value savings and an annual savings. If a resident is paying \$1,000 per year today, that 10.8% would result in a reduction of a little bit more than \$100 per year for that \$1,000. The savings would be spread across the board so each annual debt service assessment, every parcel of the District has a different annual assessment, and each homeowner would enjoy a 10.8% annual debt service savings.

Mr. Yawn stated explain the May 1, 2006 call date importance.

Mr. Draper explained that the original bonds were issued with a call option. The call option is to the District's benefit and allows the District to issue refunding bonds to refund an old transaction at a higher interest rate, which is exactly the situation we are in here. The call option is on May 1, 2006 but anytime after, as well. It is a period of time in which you can actually call the bonds in full. You set up an escrow account and it is funded with state and local governmental

securities. Those bonds are defeased and go away. If they were non-callable bonds you would not have an ability to generate any savings.

Mr. Yawn stated you are telling me it is a period of time which begins on May 1, 2006 and continues indefinitely.

Mr. Draper responded yes and it actually decreases over time. The call option premium decreases over time.

- Scenario number two was discussed; the goal of maximizing the annual debt service reduction, the annual assessment level of each homeowner at the cost of extending the maturity of the bonds and extending the corresponding assessment to the homeowner for a longer period of time. The estimated par amount of that bond issue would be approximately \$8.8 Million. The interest rate increases to about 5.10% versus the 4.7% because we extended the debt an additional ten years, therefore the average life of the debt is extended and the interest cost is extended.
- The spreadsheet presented by PS&C regarding scenario number two was further discussed. Ms. Nelson asked if you are extending the maturity date on a mortgage, as depicted in scenario two, what is the total additional cost? Mr. Draper explained in net present value dollars the total additional cost is about \$250,000. The net present value savings in scenario one, which is matching the existing maturity is \$980,000. If you extend the maturity and you present value that savings over time through the new final maturity of 2028, you have present value savings of \$743,000.
- Scenario's number three and four tie into what Mr. Sealy spoke about relating to long range capital planning as a community; where you are on any capital projects whether they are refurbishments, maintenance, new amenities or new projects. Scenario three is no different than scenario one, just taking your savings differently. In scenario one you take your savings annually over time so each homeowner has a corresponding reduction in their annual assessment level. Scenario three takes all of your savings up front today. The homeowner assessment stays the same and you are taking all the present value savings today and using it for a new capital project. Scenario four is the same concept except

we are extending the debt out to 2028 and generating as much new money, in addition to the present value savings we are achieving, that we possibly can by not changing the annual assessment to any homeowner but extending their obligation to make such assessment for another ten years. By doing that you can generate approximately \$5.6 Million.

- Questions were asked regarding identifying capital improvements. Mr. Sealy suggested the money be put into a Construction Fund without having to identify specific projects. As a result of the tax exempt nature of the bonds, the IRS requires the issuer provide them with an estimated construction schedule. Bond counsel is looking into whether or not we can fund a Renewal and Replacement Fund. The Board requested information on what needs to be provided if they choose this option.
- The District rating was discussed.
- Timing and the next steps were discussed. If the Board decides to do a refunding only, it can be accomplished in two to three meetings. If the Board decides it has a capital project (scenario three and four) and a Renewal and Replacement fund does not pan out, what we need is your District Engineer to put together a report or description of a contemplated project. That leads to what projects you have, what input you need from the residents and what you want to accomplish and how long it will take. Once there is a report indicating what the money will be spent on, we are between two and three meetings away. The Board is under no time pressure to react. PS&C only advises what your options are.
- The Board decided one of the four options will happen for the best interest of the residents of the community. Mr. Sealy offered to proceed with the credit rating on behalf of PS&C. The Board was asked to advise PS&C in the event, as they are working through the credit presentation, if the Board would not want PS&C to move forward with the presentation to let them know. PS&C will proceed with the credit presentation at no expense to the residents.
- Capital improvements were discussed. It was suggested doing a study determining when replacing capital facilities will be needed, how much they will cost and using the savings from the refunding on the operating side to level out

the total assessment and set aside some O&M funds to accumulate the funds needed at a point in time when you need to replace those assets. The total assessment can be left the same by reducing the debt service and raising the O&M assessment if you wish, setting aside the money to fund projects in the future. The money would sit in a reserve account until needed.

On MOTION by Ms. Nelson seconded by Mr. Yawn with all in favor Prager, Sealy and Company was authorized to proceed with the credit assessment process with the understanding the District was not incurring any obligation.

FIFTH ORDER OF BUSINESS

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

As Mr. Cachon was not present Mr. Turner briefly reported on the plans. There are 159 units. They will have a separate community association, a separate pool and it will be a gated community. Mr. Fernandez will invite Mr. Cachon to give his report at the next meeting. The Board requested plan specifics such as square footage, price, security, type of construction and details that will hopefully be on par with the rest of the community.

SIXTH ORDER OF BUSINESS

Consideration of Insurance Policies Regarding the Use of Alcohol on CDD Property

This item was deferred to next month's meeting.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being no report, the next item followed.

B. Engineer

There not being any, the next item followed.

C. District Manager

Accounting Issues

- Mr. Fernandez spoke to the accountant to address issues from the budget workshop and communicate via email to the Board.
- Responses should come via email to the Board by February 21, 2006.

D. General Manager

- A proposal from PSI to prepare the Lake and Ponds Annual Report to SWFWMD in the amount of \$8,450 was presented to the Board for approval. Mr. Turner recommended approval since there were very limited companies doing this work and they were recommended by Mr. Bartelt.

On MOTION by Ms. Nelson seconded by Mr. Yawn with all in favor the letter of intent/service agreement with PSI to prepare the Annual Water Use Report for SWFWMD in the amount of \$8,450 was approved.

- A one year renewal contract from Southern Equipment Corporation for air conditioning maintenance in the amount of \$1,600 was presented to the Board for approval. The charge did not increase from the previous contract.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the one year renewal contract from Southern Equipment Corporation for air conditioning maintenance in the amount of \$1,600 was approved.

- A proposal from Wharton High School Swim Team to use the Arbor Greene fitness pool to conduct swim team practice and hold swim meets for a fee of \$2,000 was presented and recommended to the Board for approval. Mr. Brickley was in favor of renewing the agreement.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the proposal from Wharton High School Swim Team to use the District fitness pool to conduct swim team practice and hold swim meets for a fee of \$2,000 was approved.

- A contract proposal from NowVision Technologies for camera installation and configuration of an additional camera for the gatehouse in the amount of \$2,540 was presented to the Board. The proposal includes installation of an IP based Network Camera looking at the exit gate, a new wireless gateway installed next to

the camera, and connecting the camera to the network at the club house. The proposal did not include the electrical connection which should be a minimal expense as the electrical meter is within 10 feet.

- The NowVision Technologies proposal issue was deferred and Mr. Turner was instructed to negotiate the contract for a possible volume discount. Additional camera installation services may be required in other communities, at the expense of the respective communities and a discount may be offered. Mr. Turner will speak with NowVision Technologies regarding a discount.
- An estimate from Borter Glass Company, Inc. for purchase and installation of 115'x80' mirrors on two walls in the aerobics room in the amount of \$866.34 was presented to the Board for approval. The mirrors would replace the two pictures already ordered.
- A discussion regarding the use of the room and type of mirror ensued. Mr. Turner was asked to obtain pictures and descriptions of the mirrors and bring them to the Board.
- A proposal from Fountain Design Group, Inc. to continue to perform bi-monthly inspections and maintenance of two floating fountains in Arbor Greene in the amount of six bi-monthly payments of \$200 for a total of \$1,200 per year was presented to the Board for approval. There is no increase in price for the renewal of this contract. The contract can be cancelled with 30 days notice.

On MOTION by Ms. Nelson seconded by Mr. Yawn with all in favor the renewal contract with Fountain Design Group, Inc. for bi-monthly inspections and maintenance for two floating fountains in Arbor Greene in the amount of \$1,200 per year was approved.

- The Arbor Greene Contracts Spreadsheet updated as of 3-10-06 was provided to the Board for review.

Facility Usage Report

- The monthly Facility Usage Report can be found in enclosure 8 of the General Manager's Memorandum. February usage was down a little bit due to the renovation.

Personnel Report

- The Personnel Report can be found in enclosure 9 of the General Manager's Report.

Approval of Ms. Sharon Erickson as Personal Trainer

- Ms. Erickson's certifications were secured and approval as personal trainer was recommended.

On MOTION by Mr. Bootcheck seconded by Ms. Nelson with all in favor Ms. Sharon Erickson was hired as personal trainer.

- The Devonshire gate damage has been paid in full
- The renovation of the community center complex is complete. Minor items still need to be resolved. The furniture and electrical machines should arrive by the end of the month.
- A survey of the existing sidewalks indicated that 28 sidewalks are okay. Fifteen sidewalks need new ramps and six need modifications. The initial estimate for bringing the sidewalks up to ADA standards is about \$11,000. We already exceeded our budget expenditures for sidewalks. Additional estimates to improve our sidewalks will be forthcoming. The request for a sidewalk by the gazebo is included in the estimate.
- As of March 10, 2006 six bids were received for consideration of the surplus property for sale. An updated sheet showing items sold is attached to this report.
- An item was run in the newsletter requesting suggestions from residents of what the newsletter might be named. Suggestions were sent to the Board. The Arbor Greene Gazette was a popular suggestion which was accepted by the Board.
- A name for the complex was discussed. The Arbor Greene Community and Recreation Center was approved. All correspondence coming out of the organization should be from the Arbor Greene CDD.

Mr. Robin stated we asked the District Manager to distribute the rewrite of the Allen Williams contract. I do not have confirmation that Mr. Williams has reviewed it yet. This item should be deferred to the next meeting as it not an emergency.

Mr. Bootcheck asked is the contract the same as the previous version?

Mr. Robin responded it is basically the same. I changed the language in Article 6 stating the District will not permit the offering of any organized tennis programs. We will obtain Mr. Williams comments and bring them to the Board at the next meeting.

Ms. Nelson stated the contract says Mr. Williams uses our tennis courts, is our resident pro and runs his business off of the Arbor Greene tennis courts. Is that correct?

Mr. Robin responded he makes his living off of whatever fees he can charge for the organized tennis services he is able to provide. I patterned this contract closely after his original contract with the developer.

Ms. Nelson stated I would like to know, for information purposes only, what he charges and have that put in writing.

C. District Manager (continued)

- The Board was asked to start thinking about the budget process. In preparation for budget season, the Board should consider making any changes in terms of doing more or less of things you currently fund or any new programs. We will begin to bring some structure to the budget and bring a proposed budget to you at the next meeting.

Ms. Nelson asked do you want us to bring you a wish list?

Mr. Fernandez responded the term *wish list* gives the connotation of being frivolous and is not necessary. I like the concept of *unmet needs* or something the community needs that is not currently being addressed in your budget. Your budget should be a reflection of your priorities for the community. At the end of the process we want to end up with a planning tool you feel comfortable with reflecting the communities' needs.

Mr. Bootcheck suggested looking at the budget of another CDD, such as Westchase to see what is in their budget and not in ours to see if there is anything the Board might consider adding to our budget.

Ms. Nelson asked do we have a comment box for residents and if not can we get one put in place?

Mr. Turner responded we had one and we now have a resident request form.

Ms. Nelson suggested putting a note in the newsletter asking for input and comments from residents regarding consideration items for possible inclusion in the new budget.

THIRD ORDER OF BUSINESS

**Approval of Financial Statements,
Construction Activity and Electricity
Consumption Report.**

This item was deferred to the next meeting due to Mr. Brickley's absence. Mr. Yawn attended the budget workshop but preferred Mr. Brickley report on the items discussed. Mr. Fernandez commented there was an extra effort this month to get the accountant, Ms. Randel together with Mr. Brickley to work out all of the issues. With the exception of a few questions Mr. Brickley raised on Sunday, all of the issues were addressed.

Mr. Bootcheck stated based on that, if they went through the effort to get the financials to this meeting, we need to go ahead and approve the financials.

Mr. Yawn stated I would move for approval of the financials but Mr. Brickley would be better able to discuss the issues.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the financials were approved.
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EIGHTH ORDER OF BUSINESS

**Supervisors' Requests and Audience
Comments**

Ping Pong Table

- Mr. Mendelsohn presented requests from several residents regarding the purchase of a ping pong table for resident use. The Board instructed Mr. Turner to look into the possibility of purchasing a new ping pong table for community use.
- Mr. Turner is following up on the suggestion of having a volleyball court set up for resident use. Two contractors have been contacted for installing a sand volleyball court. The area where the old trailers used to be, behind the tennis courts, is the perfect site for the court. The follow up will be reported to the Board. A shuffle board court was also suggested but there has not been any contact regarding this yet. It was suggested the shuffle board court could be installed at the end of the three tennis courts.

- Mr. Yawn suggested the dead trees in the median, on the exit road, be removed.
- A resident asked when she will be getting information about the Townhome building plans. Mr. Cachon of Lennar Homes will be invited to the next meeting to give a presentation. Construction is expected to start in June and the first resident is expected to move in January, 2007.
- A resident inquired about the use of the proposed Townhome pool. At this time the Board does not know the specifics on this issue. Any information the District has on the Townhomes will be in the newsletter this month.
- The record will reflect Mr. Brickley has joined the meeting.
- Mr. Bootcheck informed the Board he has a very busy travel schedule in April and will be unavailable for any meeting scheduled for Mondays. A policy meeting is scheduled for April 3rd, a budget meeting on the 13th and a CDD meeting is scheduled for April 17th.

SIXTH ORDER OF BUSINESS
(Previously deferred)

Consideration of Insurance Policies
Regarding the Use of Alcohol on CDD
Property

Mr. Brickley stated we are not covered by the current insurance company and will not be covered until the policy is up for renewal in October. There is no one out there who can cover us during that short period of time. There is a company that will be bidding in October for this business. They want the business, the insurance plus the alcohol. We may not have a lot of competition on that and may have to go that way. It appears right now, if we are going to allow alcohol, we will have to get the policy changed and covered and will not be able to do it until October.


- Mr. Bootcheck recapped the presentation given by Mr. Sealy and Mr. Draper of Prager Sealy for Mr. Brickley.

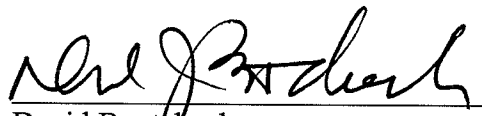
NINTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. Bootcheck seconded by Mr. Brickley with all in favor the meeting was adjourned.


 Robert Fernandez
 Assistant Secretary


 David Bootcheck
 Co-Vice Chairman