

**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, October 23, 2006 at 6:30 p.m. in the Gathering Room, 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
Michael Lozicki	Assistant Secretary

Also present were:

Robert Fernandez	District Manager
Tracy Robin	Attorney
Mark Straley	Straley, Robin & Williams
Gary Smith	Arbor Greene Maintenance
Barbara Koscinski	Arbor Greene Office Manager
Steve Brown	OLM, Inc.
Victoria Stewart	Resident
Numerous Residents	

*The following is a summary of the minutes and actions taken at the October 23, 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**

**Approval of the Minutes of the September 18, 2006 Audit Committee and Regular Meetings**

Mr. Brickley stated each Board member received a copy of the minutes of the September 18, 2006 Audit Committee Meeting and requested any additions, corrections or deletions.

There not being any,

On MOTION by Mr. Yawn seconded by Mr. Bootcheck with all in favor the minutes of the September 18, 2006 Audit Committee meeting were approved.

Mr. Brickley stated each Board member received a copy of the minutes of the September 18, 2006 regular meeting and requested any additions, corrections or deletions.

- On Page 3 in the last bullet *1998 bond indenture* should be added before *documents*.
- On Page 6 in the last bullet under the tenth order of business *entry* should be added before *gate*.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the minutes of the September 18, 2006 regular meeting were approved as amended.

**NINTH ORDER OF BUSINESS**

**Audience Comments**

- A resident asked about how Arbor Greene is going to maintain the new development which is being built, since they are going to use the facilities.
  - Building will not commence until July 2007.
  - Pricing is not known.
  - Mr. Turner will try to meet with Lennar on a monthly basis.
  - They will have an HOA.
  - Arbor Greene asked them to re-think the issue of having no amenities.
- Ms. Stewart of Heather Sound wants to determine whether or not the HOA can address the issue of a sexual offender living in their cul-de-sac, which is 20' from the playground. There is a law prohibiting sexual offenders from living within 1,000' of a school or playground, but this person believes he is exempt since his crime occurred before the law took effect.
  - This must be addressed by the HOA Board, since they administer deed restrictions, and the CDD has no policing authority.
  - Mr. Robin and the Board members believe all you can really do is spread the word throughout the community about this person, since you cannot legally force someone to move.

- A resident suggested removing the gates at the entrance and putting speed bumps.
  - The Board is opposed to this as it may cause more dangerous situations.

**FOURTH ORDER OF BUSINESS**

**District Manager's Report –  
Discussion of Landscaping Bids**

- OLM recommends the CDD accept Greenview Landscaping, Inc.
- OLM has a good working relationship with them.

On MOTION by Mr. Bootcheck seconded by Mr. Yawn with all in favor the contract with Greenview Landscaping, Inc. to handle landscaping for the District was approved.

- The contract is embedded in the RFP. The fees need to be inserted in the contract along with a starting date of November 1<sup>st</sup>.
- Inspections by OLM will also commence on this date.

**THIRD ORDER OF BUSINESS**

**Approval of the September 30, 2006  
Financial Statements**

- These financial statements are a year end consolidation of numbers.
- As a result of the budget workshop which Mr. Brickley, Mr. Bootcheck and Mr. Yawn attended, Arbor Greene is at 99.9% of income for the year and 96.4% of expenses.
- The Board wants to know where the term, *Other Public Safety* on Page 5 comes from, and the items listed under it do not appear to apply to it.
- Mr. Fernandez believes it was picked up from the Standard Chart of Accounts which should not have been applied here.

On MOTION by Mr. Bootcheck seconded by Ms. Nelson with all in favor the September 30, 2006 Financial Statements were approved.

**FIFTH ORDER OF BUSINESS**

**Attorney's Report – Discussion of 1998  
Bond Issue**

- Accountants for both Severn Trent as well as the developer have looked at various financial records.

- An agreement to a principal amount has been reached.
- Mr. Straley also received a letter from Mr. Mike Gratz on behalf of the developer indicating an agreement to the principal payments which have been made and the principal balance owing.
- There is some disagreement as to the outstanding interest.
- Ms. Karen Ellis from Severn Trent is available via telephone to Board members.
- Mr. Bob Rothe, who is the outside auditor, was directed by the Board to inquire as to the reason the promissory note was not reflected in the District's audited financials.
- Mr. Preston Cockey sent a memorandum to his client, Mr. Gratz, with his analysis of the promissory note.
- The District did not have anyone on staff to oversee this capital project. Therefore, the developer assumed this roll and entered into a project management agreement with the District.
- The District did not have sufficient funds to pay the management fee. Therefore, instead of paying it on a monthly basis during the course of construction, it was payable out of certain reserve funds which were established under the trust indenture related to the 1998 bond issue.
- As scheduled principal payments were made, the principal balance decreased and the 10% reserve requirements which the bondholders demanded were also reduced.
- The promissory note which was given to secure the District's obligation to pay this management fee was payable out of the surplus funds which were available from the reserve account.
- Periodic payments were made pursuant to the promissory note to the developer through April 26, 2005.
- The 1998 Trust Indenture went away as a result of the refunding and the payments were no longer made.
- The interest rate on the promissory note was the same as the interest earned by the District through the investments the trustee was making.

- It was based on a floating rate tied to the investment earnings which no one tracked, and it was meant to be a pass through in which all of the monies in the reserve fund would take care of both principal and interest without the District having to go elsewhere to supplement it.
- Upon receiving the check from the trustee there was direction to write a check to the developer, and the direction was based on the promissory note. Mr. Fernandez is not certain whether or not the person making the payment knew there was a promissory note.
- The Board discussed who should be held responsible for not finding this.
- This error is costing the District money.
- The Board may want to consider asking an outside firm to look at this whole situation, which may cost the Board more money.
- Mr. Straley recommends the Board authorize the Chairman to discuss a possible settlement proposal with the Developer and their Counsel.
- The Board should also receive copies of all associated paperwork.
- Independent counsel should look at the promissory note and give an honest opinion as to who is liable and what steps should be taken to negotiate payment.
- Ms. Nelson believes Severn Trent should also be held responsible for some costs.
- Mr. Brickley wants to see past audits.
- The residents also need a full explanation.
- Severn Trent is going to research the minutes on the approval of the promissory note; look at the Board membership at the time; and look at the audits from that point forward prior to the next meeting.
- The trustee determined there were surplus funds, and cut a check to the District for the surplus funds, which under the terms of the indenture were available for use by the District for any lawful purpose. This money was earmarked for payment of the note. The trustee was not aware of the note or the project management agreement, but just knew there was surplus funding which went to the District for any lawful purpose.

**SIXTH ORDER OF BUSINESS**

**Engineer's Report**

There being no report , the next item followed.

**SEVENTH ORDER OF BUSINESS**

**General Manager's Report**

- With regards to ownership of roads within the gated villages, all the roads inside the front gate are owned by the District.
- Mr. Brickley discussed the General Manager's Report, a copy of which is attached.
- Some issues required ratification or approval.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the contract with Commercial Pool Services of Florida, Inc. for chemical and cleaning service five times per week May through September in the amount of \$1,750 per month; and three times per week October through April in the amount of \$1,250 per month commencing October 1, 2006 was ratified.

On MOTION by Ms. Nelson seconded by Mr. Yawn with all in favor payoff of the pool deck furniture to Patriot Public Finance in the amount of \$14,366.25 was approved.

Mr. Brickley moved to approve the bid from Mott's Contracting Services, Inc. in the amount of \$4,500 to repair the snack bar door jambs and replace the building fascia and Ms. Nelson seconded the motion.

- The bid includes two coats of paint on top of the primer.

On VOICE vote with all in favor the previous motion was approved.

- With regards to the Avalon Standing Water Project, a resident wrote a letter complaining this project will damage their property. Therefore, this issue must be resolved before the project commences.

On MOTION by Mr. Yawn seconded by Ms. Nelson with all in favor the cost to complete the Avalon Standing Water Project in the amount of \$5,055.65 was approved.

On MOTION by Ms. Nelson seconded by Mr. Yawn with all in favor the Street Light Installation at Landing Park in the amount of \$2,878 was approved.

- With regards to the project to install the two crosswalks, there should be some resolution to this at the next meeting.
- Mr. Turner will further explain the sidewalk replacement project at the next meeting since he has a color-coded map showing the areas and there are also some ADA issues involved.
- A contract needs to be done for the Music Together program.

**EIGHTH ORDER OF BUSINESS**

**Supervisors' Requests**

- Mr. Bootcheck discussed a timeline for receipt of information with regards to the bond issue.
- Mr. Brickley would like to have this information for the next meeting.
- The Board should not rush through this process in order to ensure all of the correct information is received.
- Ms. Nelson believes the Board should give Severn Trent a timeframe to gather this information.
- Mr. Fernandez will keep Mr. Brickley informed on the progress of this issue.
- In the event the Board decides they want to discuss this with different counsel, all five Board members must vote on this.
- There is a provision in the Statute under the Sunshine Law in which a *Shade Meeting* is held, and must be noticed. A court reporter, the Board, the attorney, District's Counsel and the District Manager are the only people who are allowed to attend.
- The minutes are transcribed and sealed, and as soon as litigation is over they become public records.

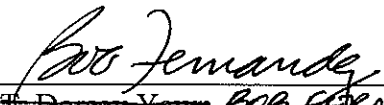
- The actual settlement agreement must be brought to a public meeting for final action.

**TENTH 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.

  
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T. Dorsey Yawn **BOB FERNANDEZ**  
Assistant Secretary

  
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John F. Brickley  
Chairman