

**MINUTES OF JOINT WORKSHOP
CELEBRATION COMMUNITY DEVELOPMENT DISTRICT
CELEBRATION RESIDENTIAL OWNERS ASSOCIATION**

A joint workshop of the Board of Supervisors of the Celebration Community Development District and the Board of Directors of the Celebration Residential Owners Association was held Monday, January 10, 2011, at 6:30 p.m. at 851 Celebration Avenue, Celebration, Florida.

Present from the Celebration Community Development District (CDD) were:

Tom Sunnarborg	Chairman
Lee Moore	Vice Chairman
Bruce Carlson	Secretary
Floyd McCollum	Treasurer
Cliff Akey	Assistant Secretary

Present from the Celebration Residential Owners Association (CROA) were:

Don McDonald	President
Tom Touzin	Vice President
Alex Carius	Secretary
Jack McLaughlin	Treasurer
Mike Gaw	Director
Richard Joossens	Director
Dave Orosz	Director

Also present were:

Gary Moyer	CDD District Manager
Pat Wasson	CROA Executive Director
Lori Rockel	CROA Director of Community Management
Brian Smith	CDD Field Manager
Residents and members of the public	

FIRST ORDER OF BUSINESS

Opening Activities

A. Call to Order

Mr. Sunnarborg called the workshop to order at 6:30 p.m.

B. Pledge of Allegiance

Mr. McDonald led the *Pledge of Allegiance*.

C. Celebration CDD Roll Call and Introduction of Supervisors

Mr. Moyer called the roll.

D. CROA Introduction of members

Mr. McDonald called the roll.

E. Comments and changes for the workshop agenda

Mr. McDonald stated I would like to move discussion item F to be item A.

SECOND ORDER OF BUSINESS

Discussion Items for Workshop

A. Uniformity of Benches and Other Facilities in the Parks

Mr. McLaughlin stated we seem to have a number of types of benches throughout our community used by Town Hall, Lexin and the CDD. I am not looking for a replacement of the benches with a standard item, but I would like to standardize one for the future. There are a number of places throughout the town where we are replacing some traffic signs that the County installed. For example, in North Village there are double diamond signs at the T intersections. That also occurs in Celebration Village where there are double arrows on a single diamond sign. To make things more uniform and aesthetically pleasing, I would like us to come up with a common type of bench that makes Celebration look more uniform instead of helter skelter.

Mr. Touzin stated depending on the park, it might have buildings, other colors or a different look that might prohibit coming up with a standardized bench.

Mr. McDonald asked what is the intent behind this request? Are there problem benches?

Mr. McLaughlin stated no, we just have a variety of benches and we do not look very standardized as a community. Just driving here today, there are steel-backed benches, there are wood-backed benches in Founder's Park, and Mr. Smith just installed more wood-backed benches in North Village. I think we need to come up with a Celebration-approved style.

Mr. Sunnarborg asked is this something ARC can assist with for future CDD benches? We can try to submit it to ARC before we install benches.

Mr. Smith stated unless we are replacing something that was installed originally.

Ms. Rockel stated we currently have an inventory of all the benches and trash cans on all CROA properties that we can refer to, where we see things that need to be modified when it is replaced.

Mr. McDonald stated we can ask ARC to try to work toward a standardization and go from there.

Mr. Sunnarborg stated Mr. McLaughlin also mentioned the work that the County does for the traffic signs, and the CDD can interject itself more into coming up with a more standard solution.

Mr. Drew Locher stated the County just allowed us to install a double diamond sign and we were going to show that to them so that we can get the same type of approval through the rest of the community at the same type of intersections.

Mr. McCollum stated I agree with Mr. Touzin. Speaking as an architect, perhaps there are two styles that can be used. In Savannah Park, the style is the ornamental metal, and that is not the bench you should use everyone. I think if we go back to one style throughout the community, I think we will lose something. There is a minimum of two we can use, maybe more.

Mr. McDonald stated it sounds like you are suggesting we keep the styles that reflect the area where the benches are located.

Mr. McCollum stated that is correct.

Mr. Moore stated that is something the ARC can identify. We do not want just one style.

Mr. McDonald stated we want consistent styles for the areas. We will forward this to ARC.

B. Security Agreement Proposal

Mr. Dan Tomsick stated I was hoping we had heard from Sheriff Hansell by now since it has been about a month since the letter was sent to him. I have heard nothing and I presume no one else has received a reply.

Mr. Sunnarborg stated no.

Mr. McDonald stated I have heard nothing.

Mr. Tomsick stated this letter was sent as a result of some comments that I made at previous meetings for the CDD and CROA, asking for a letter to be sent to Sheriff Hansell, outlining what we proposed and looking for a formal response and input on that proposal. We did not expect our outline was a final proposal, by any means, but we would like to have a future security plan for Celebration. We still need that. The problems that are in the background as far as our community's growth need to be looked at and how we do security, safety and sheriff services for this community. There have been a lot of informal discussions over the years. We felt they reached the point where they move past the information discussions and have some formal discussions about what kind of structures fit Celebration's needs, what is practical, what we can afford, how do we start moving in the direction to reach some kind of goal. We really need some input from the sheriff. We have gone as far as we can as a community. We have established

some wish-list boundary conditions as a proposal, but right now we need some specifics: what can be done, what cannot be done, and what might be a timetable for implementing some things. This is where we are; otherwise, we might need to go in an entirely different direction, which I do not think will be an efficient one for this community. I think we are better off, if we can, to find a way to partner with the sheriff's department. His webpage talks about his interest in community policing. I would like to think that we are considered a community he might want to police. We welcome his active role in that regard, beyond perhaps some public relations writing on the webpage. We need something of substance from him so that we can move forward. We want to work with him, but right now, we do not have any further actionable information from him to do anything.

Mr. Touzin asked when was the request put in?

Mr. Tomsick stated it was mailed about December 2, 2010. I hope he has not been talking to residents about never receiving any mail from the covenants committee, because this was not from the covenants committee. The letter was signed by Mr. McDonald and Mr. Sunnarborg.

Mr. Touzin asked do we want to send him a letter and ask if he intends to respond to the first letter?

Mr. Tomsick stated I thought he could have, at a minimum, sent something acknowledging that he received the letter but he needs another three months to think this through. That is fine and it is an understandable response.

Mr. McDonald asked would Ms. Wasson contact Captain Andy Lang and ask if they received the letter?

Ms. Wasson stated yes.

Mr. Sunnarborg stated I will also call Commissioner Michael Harford tomorrow to see if he can find something out.

Mr. Tomsick stated as a working group, we are not planning to have any further meetings until we have something we can work on. We think we have exhausted the possibilities as things stand now.

Mr. Sunnarborg stated thank you to Mr. Tomsick and your working group. I know Mr. Moore also assisted on that group. We need an answer. Even if it is "no," we deserve an answer.

Mr. Touzin stated then we can determine our next steps.

C. Discussion of Most Commonly Asked Questions from Residents

Mr. Orosz stated the questions deal primarily with bonds and when they will be paid off for each village. Residents want to know when the bonds will be paid off. The website page is very hard to find and is not very accessible. It is on the FAQ page, not in a prominent location on the first page.

Mr. Sunnarborg stated all this information is public information and will not be hard to provide to you.

Mr. Moyer stated it is on the website. You need to understand something about municipal finances in order to find it. The budget contains that information, each meeting has comprehensive financial reports including that information, and we have the audits. All of that information is readily available in those reports.

Mr. Orosz stated I think it has to be more simplified for most residents. They are not going to spend time going through the budget to find out when their bonds will be paid off so that they know their assessments will be reduced.

Mr. McCollum asked would a simple page listing each village and the dates be enough?

Mr. Orosz stated yes.

Mr. Sunnarborg stated we have a FAQ page that includes this information, but perhaps Mr. Moyer can share that information for everyone tonight.

Mr. Moyer stated the Celebration CDD issued about \$130 million in bonds and we currently have about \$35 million outstanding. Through the payment of the normal assessments that are on the tax bills each year and the paydown of the Series B bonds that was made by The Celebration Company at the time we purchased our property, we currently have 37% of our bonds outstanding. That does not tell you which village will be paid off in which increment, but we can put together a simple chart to show that information.

Mr. Touzin stated Mr. Orosz and I looked at the FAQ page, and it basically says there are 20-year bonds for 1994 and 1997 but it had expiration dates of 2016 and 2020. We would like an explanation as to the extension dates.

Mr. Moyer stated that was for capitalized interest. We amortized the bonds over 20 years but in most cases, for the first two years, we placed the funds in capitalized interest in which we paid the principal and interest on the bonds during the construction period

since there is really no benefit for that infrastructure until it is completed. We can add that explanation. The Series 1994 bonds in the amount of \$63 million were refinanced in 2005 at a lower rate but it did not change the term. Additional proceeds were received from that refinancing that is now residing in the capital projects fund for the District to be used for renewal and replacement projects. The assessments stayed exactly the same.

Mr. McDonald asked when those bonds finally get paid off, then the assessments will be reduced as they are paid off?

Mr. Moyer stated that is correct, and that occurs by village. Each bond issue is associated with a village.

Mr. Sunnarborg stated the objective of the District is to get the bonds paid off, not to continually issue bonds.

Mr. Orosz stated the reason I placed this on the agenda is because residents always call CROA for these answers, not the CDD.

Mr. McDonald stated perhaps having these meetings on television and online will help with that differentiation.

Mr. Moore stated at previous joint workshops, we have outlined the differences between the CDD and CROA. We might want to do that.

Ms. Wasson stated CROA's main responsibility is for the recreational amenities and all of what we refer to as active parks where the playgrounds are as well as for enforcement of the covenants and the Architectural Review Committee.

Mr. Moyer stated CROA is viewed as a private entity, so the parks and areas they own are not generally open to the public. They are open to the residents of Celebration, but not to the general public at large. The Community Development District was established by an Act of the Florida Legislature that was adopted in 1980, and as such, the District is a limited form of special-purpose government. We are limited in providing infrastructure to develop a new community; that is essentially the sole purpose of a Community Development District. Within that, we are granted certain authorities and powers to do such things as street lights, roads, drainage, ponds and similar facilities. We can also do parks and recreation, and we have a couple passive parks that we maintain. Generally, all the infrastructure that you see in the community was installed by, financed by and is currently maintained by the CDD. There are certain requirements that we have to abide by, and the gentlemen who serve on the Board of Supervisors are considered

public officials of the State of Florida, the same as a City or County Commissioner. They file certain reports with the Supervisor of Elections in that regard. We must have a complete audit of our financial records, which is optional for CROA. The audit also covers such things as compliance with rules, laws, and contracts. There is a report for internal controls, so it is a complete audit. Our meetings are recorded and transcribed. The minutes are filed with various agencies. That is where the government part comes in. We are limited in purpose but we are still a government. The facilities that the CDD owns are open to the general public and must be open to the public because we are a government.

Mr. Moyer stated to specifically address the question of the status of reserve funds, when we sell these bonds, to protect the bondholders, we put monies aside to pay principal and interest on the bonds in the event that we do not collect enough of our non-ad valorem assessments. If that was ever the case, it would be a timing issue, not a liquidity issue. We collect at least 99% of what we levy on the tax bills, but there are reserve funds in the amount of about 10% of the outstanding amount of the bonds. We have about \$3.5 million in reserve funds and we have about \$35 million in outstanding bonds, so our reserves are fully funded.

D. Maintenance Facility Status

Mr. Sunnarborg stated Mr. Paul Collins had been coordinating this effort for the past couple years on behalf of the CDD. The CDD and The Celebration Company just recently executed a land swap where we swapped a couple acres with each other. The CDD now owns about two acres on what was the civic corridor behind the golf course. That property is currently being used as a back-of-house for the CDD. It is for maintenance crew parking. We are going to master plan that property for a modest maintenance facility that will be hidden from view where our CDD contractors will stage and report for work. The CDD Supervisors have not voted on this or agreed to a plan, which we will do soon. In general, the plan that will come to a vote will be for the CDD's facilities, but we have enough land that we could plan it such that we can have a small building and adjacent parking at that facility so that if CROA ever wanted to join us there, you could construct your own building. The conversations Mr. Collins may have had with members of the CROA Board over the past couple years may have included options where the CDD constructs the building and CROA leases it or the CDD sells it to

CROA. If the CDD Board chooses to construct a building, we will do it for our needs but with the flexibility to have room for CROA if you choose to use it later.

Mr. Touzin one of the things you have mentioned is that it be aesthetically pleasing. Perhaps it can be designed at the same time so that the look is consistent.

Mr. Sunnarborg stated the idea is that our facility will not be seen; it will be behind berms and screening. The aesthetic consideration is that you will not see it.

E. Cell Phone Service Improvement

Mr. Joossens stated I have been working on this with Mr. Moore for some time to try to get The Celebration Company to provide us with another cell phone tower. AT&T is planning to increase their coverage with a larger antenna at the hotel downtown, which will improve our distance. It will probably be another year before we see that installed. We are also looking at a cell phone tower being installed at the Progress Energy substation. The Celebration Company has been working exclusively with Verizon for a 130-foot monopole tower in that location. The distance that it will cover will probably not be enough, but Verizon is willing to install \$100,000 worth of amplifiers just to boost that signal to get it to the end of the community. We may not know how good it will actually be until it is working. When I refer to cell phone communication, I mean having coverage inside your house, not standing outside by the light pole. My goal is to have 100% coverage. I am also talking to KUA to see if there is anything they can do. As we are finding everywhere, there are legalities and authorizations involved, and they cannot install a tower for us. I am still working with Artisan Park for a backup. I am not saying anything will be installed there, but if they agree to move toward having something, then I will work with The Celebration Company to see how high we can have it. Everything takes a lot of time, more than I realized. On the substation location, The Celebration Company sent the license agreement over six weeks ago to Verizon and they have not returned it with their comments yet. They said their attorney has been out for six weeks.

Mr. McDonald stated there was also a conversation that AT&T might also go on that Verizon tower. Is that not going to happen?

Mr. Joossens stated it is. There have been phone calls and emails, and AT&T has the desire to join them and they know the pressure that we have been giving to them, so they agreed to go on that tower. Osceola County has now advised us that their paperwork is not correct and some information was transposed regarding the location. Verizon has sent it back to them saying it cannot go in that location because it does not agree with the

layout. It is a legal system that we are struggling to overcome. I had hoped the Verizon tower would be operational by June 1, 2011, and it still can happen, but it depends on how much pressure is put on by Verizon, AT&T and The Celebration Company.

Mr. Moore stated AT&T is not yet confirmed. The contract with Verizon is close to being complete. The tower is 120 feet, which means if AT&T goes on there, they will be lower, about 110 feet, and other carriers will be lower than that. Verizon will probably have the best coverage in Celebration at that end of town, which is why AT&T is working at the hotel. There are little things being done to help improve coverage. Once you have an agreement, they have go through the County zoning process, and there is still a lot that has to happen. There will now be a question about lighting because of the height, so it will be a little while. For those who do not know the location we are referencing, there is a substation on Celebration Boulevard about halfway down toward the high school on the I-4 side. We have done balloon tests and other things and it will not be visible from the residential side. If we can have that tower and raise some amperage at the Celebration Hotel, we may have a good solution for most of the residents. But it will still take a little while because it is not easy installing a cell tower in a community.

Mr. McDonald stated while it is not a great solution, those who have really bad coverage, almost everyone offers a little device called a femtocell that you hookup to your high-speed internet and it provides cell phone signal inside your house for you to use. It is not a great option but it does provide some coverage.

Mr. Touzin stated we are probably farther along than we have ever been. We are getting there. It is painfully slow.

Mr. Joossens stated the tower will be in the location by the billboard near the La Rosa building. The billboard is between the substation and I-4.

F. Comcast Cable TV Contract Status

Mr. Moyer stated several people in the community have been inquiring about this issue and looking into it, including Mr. Dan Tomsick, Ms. Pat Wasson, and Ms. Lori Rockel. We invited to this meeting all of the people who had first-hand knowledge of the situation, but unfortunately none of them are in attendance. A lot of my information is second-hand and hearsay. It is not time specific and it is very difficult to piece together where we are with this issue. We will continue to look to get more information and bring it to the community at our various meetings, and Ms. Wasson will do the same. When

Celebration first began, cable was provided by Jones Cable. Somewhere along the line, Jones sold to Comcast. Also when Celebration started, there was a company called Vista United Telecommunications, which was the telephone provider. Without being specific as to dates, at some point, Vista United sold to Smart City. As I understand it, the owner of the cable infrastructure is Smart City. As such, they are in a position to negotiate contracts and give permission to cable providers to use that infrastructure. From what I could gather from The Celebration Company, their agreement with Jones that was ultimately assigned to Comcast went from 1996 to 2001, at which time, Comcast entered into a contract with either Vista United or Smart City. The rumor on the street is that contract matures in February 2011. Therein lies the urgency for us to get some understanding of these relationships. The last we heard is that Comcast and Smart City are negotiating an extension of that agreement. The frustration that I think everyone has is, what control and what input do we have in that process. I cannot answer for CROA, but from the CDD's standpoint, we are authorized to do certain things but we cannot go outside of what those authorities are. Unfortunately, cable television is not one of the authorized powers for a Community Development District. We have never been a party to any of those agreements, with the exception that in 1995, the District entered into a right-of-way utilization agreement that requires that people who use our rights-of-way pay us for that privilege. There is a fee that we receive from Progress Energy, TECO and Smart City. That agreement establishes a fee for the use of the right-of-way; it does not give us any authority to intervene in those negotiations. From the CDD point of view, we really do not have much to say how this unfolds and whether or not Comcast is the provider or some other cable company is the provider. I presume it is a similar situation with CROA.

Mr. McDonald stated we have absolutely no authority to do anything. The question that arises is, who granted the franchise? Typically a franchise is granted by a governmental agency somewhere. I understand that authority has now moved from the County to the State.

Mr. Moyer stated that is also my understanding.

Mr. McDonald stated we have a number of very bright residents in town, and to my knowledge, no one has actually been able to figure out who has that ultimate authority.

A Resident asked is Smart City considered a monopoly?

Mr. McDonald stated yes, but there is a franchise grantor somewhere.

Mr. Moyer stated the one thing that might be a little different is there were certain grants of authority in the Development Order that Disney received when they went through the Development of Regional Impact (DRI), and I will research that before the next CDD meeting. The County approved all of that, and they do that through the issuance of a Development Order that spells out in great detail what The Celebration Company could and could not do. I wonder if there was some grant to The Celebration Company from the County. That is the only thing I can think of to answer the franchise question. The County does not seem to recollect ever granting a franchise. They are not in a position now to grant a franchise because it has been moved to the State level.

Mr. McDonald asked do you have any idea what agency would handle that? Would it be the Public Service Commission?

Mr. Moyer stated it could be the Public Service Commission or the Department of State.

Mr. Carlson asked can we ask Smart City to see the original franchise agreement?

Mr. Moyer stated we have done that and we have not received it. To be fair to Smart City, all of these discussions came about just Wednesday and Thursday last week. They have not had a lot of time to research this, either.

Mr. Moore stated Smart City will not have a problem meeting with us and discussing this. They have done it before, as has Comcast. Ms. Wasson and I got Comcast and Smart City in the room together for the first time a few years ago. Very often if you have a problem with your service at home, they each blame the other. At that meeting, there was a very good discussion with the two companies, and that is something we should try to do again. I emailed them over the past couple years and am still in contact with them. Regarding the question of a monopoly, today they would not be allowed to do what they did years ago with this setup. There were differences between rural and urban areas. When Counties had franchising authority, they were allowed to bring in an area and give them exclusivity because rural areas would not get setup otherwise. Technically, I think we are still considered a rural area. You could not be able to get Jones Cable or another company to come in and build infrastructure for a community like Celebration without a guarantee of a certain amount of time. We believe that time has expired and perhaps we should explore other opportunities.

A Resident stated we have only one internet provider.

Mr. Moore stated there are reasons for that. The line going into your house is owned by Smart City. Those exclusivities were given to Vista United/Smart City and Jones/Comcast beforehand. We believe they have expired or will soon. Today you would not be able to do that without going through the Public Service Commission. Residents have been talking for years about competition and getting better providers. We have to look into those things, but the timing of this meeting so soon into the New Year was too soon to get everyone together and look at that.

Mr. McDonald stated that is something that is being worked on. As the entity that owns the right-of-way, does it make more sense for the CDD to handle this?

Mr. Moore stated I think we should revisit this jointly with Ms. Wasson. This is not something that the CDD has in our special authorities, so we can all talk with the residents about this issue. The vice presidents of both Comcast and Smart City were very happy to meet with us at the time. I think we made some good headway and I think they would be happy to meet with representatives from CROA and the CDD. I think we should try that.

Mr. Orosz stated they attended one of our CROA meetings, and they guaranteed us that when this contract expired with Comcast that they were going to take over the television service and bundle the package with telephone and internet to reduce the costs.

Mr. Moore stated they unveiled their triple play, and they were not able to do it until the contract ended. We just need to revisit this.

Mr. Orosz asked why renegotiate with Smart City when they agreed to provide the whole package?

Mr. Moore stated both of those entities can provide all three services. Because of the franchise agreement, it was not right for either entity to ask for all three.

Mr. McDonald asked so when the contract expires, they could, in essence, go into competition with one another?

Mr. Moore stated that is correct. Perhaps they will decide not to, but I think we are doing a lot of speculation. We need to setup a meeting with them.

Mr. Touzin stated we will have to setup that meeting fairly quickly. We are still citizens. We may not have authority to do anything, but the reality is that we are still residents. When you call Comcast, they do not even know Celebration exists. At the same

time, if you are buying a house here and you cannot get proper telephone service or internet service, that hurts your ability to purchase a home here. We need clarity on this issue and we need to do it as quickly as possible.

Mr. McDonald stated I believe we will know a lot more before the next CROA meeting.

Ms. Wasson stated both Smart City and Comcast were invited to attend this meeting tonight. Both could not attend, but both have requested a meeting. I told them we would like to have a meeting and some clear understanding prior to the next CDD meeting and the next CROA meeting so that each of us can report back.

Mr. Moore stated I have always thought it was in the best interest of the residents to have a solution that works for Comcast, Smart City and even a third party. I do not believe Direct TV or Dish Network is in the best interest of the residents, because meetings like this can be shown on Comcast's Channel 5. There are a lot of things that we can do if we had a provider that can give us a lot of support. We can do more live television. We can do a lot of things to help build the sense of community, and I am not sure Direct TV can help with that. If we can make it a better product for our residents to choose the local cable company as opposed to a dish or satellite television, we can do a lot more with that. We can also talk about community pricing. Artisan Park has it built into their monthly fees.

Mr. McDonald stated that is something the CROA Board has discussed briefly.

Mr. Moore stated I would like to be invited to that meeting. Smart City and Comcast understand that we have no real authority in those negotiations, but they understand that we represent the residents as members of the CDD and CROA. They do not have a problem laying out their discussion points. They want you to support what they are doing. They would rather you be happy with their service so that there are fewer Dish Networks and fewer Direct TVs. The dishes do not look as nice and require ARC approval. They are very happy about trying to help and we should bring them into the loop.

Mr. McDonald stated that meeting is happening soon, and we will have updates on this item at both CDD and CROA meetings in the future.

G. Long-Term Plan for the Town

Mr. Joossens stated I see this as the long-term picture of Celebration. What are we going to do? Where do we go from here? What do we need to improve or develop? There is land that we need to consider what to do with it. How are we going to put up a dog

park or a soccer field on the civic corridor property? What do we need to do in order to get there? I would like to see a five-year and a ten-year plan that we all are working toward. To me, cable is a priority item that should be added to this plan, and we should be moving forward on it. It is the same thing with the benches and trying to achieve a uniform look to everything so that it looks like one happy, well-built town. I think CROA needs to come up with a plan and work with the CDD and team up with some residents who can help us. Mr. Tomsick and Mr. McLaughlin have been working on this house on Acadia. It is time to get the County to work with us to help us develop, improve and achieve our goals here. I think we have a lot to do and a short time to get it done.

Mr. McDonald asked what would you like to see done specifically, not just the concept?

Mr. Joossens stated I would like to get a five-year plan together that we can work toward. We should have CROA and some residents get together to provide a plan of what we need for improvements.

Mr. Touzin stated as an example, one of the things parks and recreation is doing with the money we have, whether it is Lakeside Park or Artisan Park or one of the other villages, one of the goals we had is if we wanted to finish Celebration, we need to identify the amenities that we need to add or finish. That is a good starting point to look at a bigger plan. Looking beyond parks and recreation, what are the other things that will finish Celebration? I think that is what Mr. Joossens is referring to and it may include some of the things that the CDD is contemplating. I think we need to make a master list of things to finish up so that we have a goal to work toward.

Mr. Joossens stated I totally agree with that.

Mr. Carlson stated I think there is one more part of that, if we do something on a five-year or ten-year horizon, we need to also talk to The Celebration Company because there is still Island Village that will be developed, and there is a lot of commercial property that will be developed. We need to have a better understanding of what additional amenities are going to come into this community as a result of those developments, particularly Island Village. We are interested in things like what will the speed limit on Celebration Boulevard be so that NEVs can ride from Island Village to the high school and beyond.

Mr. Touzin stated many years ago, some residents looked into funding a dog park themselves. Some residents are looking at different amenities that they would like to go

ahead and accomplish, whether they get corporate sponsors or other funding. It is not just CROA money or CCDD money. They are looking at other innovative ways of doing some of these things. It is worth exploring, especially for the residents who want to step up and offer to spearhead that effort. How do we coordinate that?

Mr. McDonald asked how do we coordinate this process of getting it started with two divergent Boards and then the public?

Mr. Touzin stated I think we start with a core group. As both you and Mr. Sunnarborg said, this is our community. We are residents here while being members of different entities.

Mr. McDonald asked what is the starting point?

Mr. Touzin stated I think a good starting point is what we are doing now with parks and recreation. We are meeting Wednesday, January 12, 2011, and it is a good start because we have people who are participating who are not members of any Board but just residents. That will give us a good feeling for what to do with some of the monies that we have reserved for certain things that we are now going to utilize. It is time to complete some projects. That is a good starting point for a master plan.

Mr. Joossens stated I agree that is a good item. We discussed cable television and Comcast, which we need to look at and setup a meeting so we can plan what to do from here. We also need to consider what to do with our property on the civic corridor. Do we want to do anything with it or leave it as a forest? I would like to have a meeting where we discuss how to get started on the ten-year plan.

Mr. McDonald asked how do we accomplish that? Do we assign someone from CROA and someone from the CCDD to get together to make a list?

Mr. Joossens stated yes, at a minimum. Another idea that came from a resident is to look at a real estate investment trust to look at buying downtown if they look to sell.

Mr. Carlson stated I think that is a great thing to look at. We need to look at the commercial aspects of the town. We have hard times just surviving as a residential community without having the town and amenities that we have, both downtown and Water Tower Place, in terms of their future.

Mr. Moore stated we can discuss the real estate investment trust, but it goes to determining which Board discusses it. That is not anything that CROA will discuss because it is not something the State of Florida will allow you to do. That is moving into

an area where there is a vacuum. We have so many entities in town: CROA, Celebration CDD, Enterprise CDD, CNOA, CJC, and the County. If we are talking about a ten-year plan, then we should talk about getting some representation from the County, some representatives from Celebration and perhaps someone from the State. That will be a big help for us. The way this community is setup, it does not make it easy to accomplish the things we are discussing. I think we need to think outside the box and perhaps come up with a new group.

Mr. McDonald stated that was, in large part, what was behind the very controversial topic of incorporation. Are we going to have to vote on this at some point?

Mr. Moore stated that involved a legal process and it is a discussion that will come up at some point. That is one thing that is missing which is a group to look to the future of Celebration. At one time, The Celebration Company was the majority of the Board on the CDD and CROA, and things got accomplished because of their involvement. That is why we need to think outside the box, barring incorporation. Perhaps there is a group that includes members of CROA, the CDD, Lexin and others.

Mr. McDonald asked can we create an ad hoc group of our own volition?

Mr. Sunnarborg stated at our last joint meeting, we put together a couple teams with representatives from both Boards and invited other people. We have done that a couple times for various initiatives, and we can do that again.

Mr. McDonald stated I am referring to a broader group or committee.

Mr. Sunnarborg stated yes, with one caveat: the CDD can only assign one member since two members cannot meet together at the same time.

Mr. Akey asked could it be a workshop if there are two people?

Mr. Moyer stated the meeting still has to be advertised.

Mr. McDonald stated we would want the meetings to be official and posted.

Mr. Sunnarborg stated we can certainly do that.

Mr. Moyer stated if you have it as a workshop, then we do not need a quorum of the Board to hold the meeting.

Mr. Moore stated there may be some people we want to invite that we did not before, someone from Lexin, the County, the school since the Osceola County School Board owns a lot of land in Celebration, The Celebration Company, possibly some clubs that we are not yet thinking of. I think you are moving on the right track.

Mr. Sunnarborg stated there is some passion from several members on the Boards. I suggest Mr. Joossens take the lead and start identifying this structure to try to advance it. The CDD Board will assign someone officially at our next meeting or whenever you bring it to us, and we will move from there.

THIRD ORDER OF BUSINESS

CDD and CROA Board Member Comments

Mr. Touzin stated the replacements on the street lights are going very well in terms of the clear bulbs. They are adding a lot of light in some of the darker areas. I also noticed that they are painting a lot of the street lights, as well, which is what we discussed as part of our conversation about covenant issues. I am very pleased to see that happening. Kudos to the CDD field team.

Mr. Orosz asked is it possible for the CDD to get more involved in the traffic nightmare that we had for the 4th of July and Halloween? It costs a lot of money for buses and other solutions we have come up with. Since the CDD has more influence with the County, if they want these events to continue, perhaps the payment should come from them to pay for the extra deputies. Residents come here from Kissimmee and in the hotels. The County gave \$45,000 for the Little River Band project to be here. It is a few buses and some deputies, which would be about \$10,000.

Mr. McDonald stated once we hear from the sheriff, perhaps we can include this in that overall discussion.

Mr. Orosz stated it is more than just the sheriff; it is the County itself, whatever group handles the special events.

Mr. Moore stated the Little River Band is a separate issue. There is a pool of money that Counties have to encourage hotel stays. That money is for special events that will attract people who stay in hotels. We should make our Halloween plans an issue with them, and CROA can do the same thing with the County for an event. If you can convince the County that it would be helpful to the County, then you can receive funds for events. We have not requested any money from the County, but perhaps that is something you should explore.

Mr. Touzin stated the issue is not so much hotel taxes because residents pay taxes to the County. I know the County decides how to disperse that money. The biggest issue we have for some of these events, particularly Halloween, is resident safety. We cannot get emergency vehicles through town, and that is the paramount concern. I know there is a

lot of discussion on the Front Porch about trick or treaters. The only reason CROA got involved was because there is gridlock on Celebration Avenue and other streets. It is not under CROA's purview but the reason we stepped in is someone had to step forward. These are County roads and they should be responsible for assisting with this.

Mr. Sunnarborg stated the CDD feels the same frustration at having to step in to fill that void on a variety of topics. Our legal counsel will nudge us back in line because if we step too far outside our legal authority, we put ourselves at personal risk. We still push it when it is important, but we have to be very careful. For the 4th of July event, we are citizens of the community and we participate on an individual level. What the CDD Board can do is very limited. We do not own the streets; the County owns the streets. We own the rights-of-way and we can get involved through use permits as to what we allow to occur on our property or not, and if there is anything we can do to alleviate the problem from our own property, then we certainly will.

Mr. McDonald stated it comes back to the issue that we have a serious problem, in that, there are some great shortcomings in our form of government. We do not have a great government in Celebration.

Mr. Sunnarborg stated you are correct. Another point is that our Board's position with the County is not because we are the CDD; it is because a few of us have made it a priority to establish relationships. I think any of us can do that and continue to do that. Mr. Akey has worked tirelessly to integrate himself in various ways with the County. Mr. Tomsick is a great example of working all kinds of angles to try to get some influence for celebration within the County. We need to continue to do that. We need to find opportunities to serve on advisory Boards. We need to run someone for County Commission someday. Mr. McDonald joked that perhaps we should run someone for sheriff, and I do not know if we can do that, but somehow Celebration needs to get more involved with the County in every way possible. The CDD does not have any additional influence as a Board than CROA does. My own experience with the signs on U.S. 192 was incredibly frustrating. I do not think the CDD can do anything official about Halloween except for what we might or might not grant through a user permit for our property.

Mr. Orosz stated otherwise, if nothing is done, it will be up to the sheriff's department without having to pay them anything to clear the streets. They will have to do it because it is a safety issue. But they have to be called in order to do it.

Mr. McDonald asked who is going to hold them accountable? It will be us as individual citizens rather than groups.

Mr. Orosz stated of course, but there has to be something that our joint Boards can do with the County to force the issue. It is not right that the home owners have to pay for something like this.

Mr. Sunnarborg stated we are talking about the same question that we always get back to, which is the shortcomings with our form of government. We are not a town. CROA is a private company. The CCDD is a limited, special-purpose government. With all the entities in Celebration, we do not have one single entity that speaks for Celebration. It comes up in all kinds of ways, whether it is community policing or the lack thereof, or Halloween.

Mr. Touzin stated we are limited in our ability to provide that service, but the sheriff and the County have a legal responsibility to make sure we get those services.

Mr. McDonald asked they may have that right, but how do you enforce that right? The only power we have is to yell at them, attend their meetings, and vote.

Mr. Touzin stated I disagree. I think what Mr. Sunnarborg said was correct in terms of establishing relationships with the County, and I think we need to start doing that.

Mr. McDonald stated the key, though, is we need to do it as individual members of the community. The CCDD cannot do it and CROA cannot do it.

Mr. Carlson stated perhaps we should have our next workshop at the County offices somewhere and invite them to attend.

Mr. Sunnarborg stated Commissioner Harford was invited to attend tonight's meeting, and he wanted to but he could not. He attends many of our CCDD meetings and he indicated to me that he was going to start attending CROA meetings. We have his ear and we need to keep pressing where we can.

Mr. McDonald stated we will invite him to our next meeting and we will put him on the agenda.

FOURTH ORDER OF BUSINESS

Audience Comments

Mr. Bill Pelaia stated two matters that do not come under your purview, but being active in the community, you may have some information. The civic corridor was mentioned earlier. Where does that stand in its totality? The CCDD indicated you are proceeding with your maintenance facility. Is anything else happening?

Mr. Sunnarborg stated the land has transferred to the County for the library. The building is being designed. I am not sure of the construction schedule. I have seen it posted on the Front Porch, but I cannot recall the exact dates. So the library is going to happen. The next lot in from the library is reserved for CROA. The third lot is the potential CCDD maintenance facility that I mentioned earlier. The fourth lot has been transferred to the golf club. I believe the plan is they are going to move their maintenance facility or their cart barn there.

Mr. McDonald stated CROA is on hold until the library is built and until we talk about our master parkland, the beginning of which is happening Monday. It is also a matter of funding since it will be an expensive proposition to build on that property.

Mr. Pelaia asked have you heard anything about the theater property downtown?

Mr. McDonald stated I have heard only rumors.

Mr. Moore stated there is a lease on that property, but it was broken. If you read the Front Porch, Lexin is trying to find an alternative for that property. We do not own it so we do not have any say in the matters.

Mr. Pelaia asked when you say “broken,” did they not negotiate that release?

Mr. McDonald stated my understanding, from what I have heard, is they broke the lease and walked away, and now they are in legal discussions over that.

Mr. Moore stated The Celebration Company has the first right of refusal of retail companies who go into downtown. It is a movie theater for now, but if someone comes up with a solution that was not a movie theater, it will need to go through the proper channels, through Lexin and then The Celebration Company, who all would need to agree for it not to be a movie theater if it helps the community. I do not think anything has happened recently and it will probably take a few months to play out. I think we are getting our information from the Front Porch.

Mr. McDonald stated my information comes from some sketchy sources, people who may or may not know. There is no verification of anything.

Mr. Moore stated I think this is another point of resident frustration, that there is no one we can talk to. One of the things that bothers me is, I understand the movie theater is closed but I do not understand why the theater's lights are turned off. That is of architectural interest to the community. I think we should put some pressure on Lexin for the lights. The lights are controlled from the inside and they were supposed to leave the lights on. Perhaps someone from The Celebration Company can talk to AMC, who still is a business on Disney property, to take care of that item.

Ms. Wasson stated I know that Lexin has tried in every way possible. They have talked to Disney. They begged and pleaded with AMC to turn those lights back on, but they have been extremely unreasonable.

Mr. Moore stated this may be something that an ad hoc group can do and meet with AMC representatives. That may be helpful. CROA represents the home owners and if you get a meeting with them, you may get somewhere.

Mr. McDonald asked will Lexin just turn on the lights and pay the cost?

Ms. Wasson stated Lexin cannot enter the property. The lease is not broken because AMC is still paying their rent. I know that Lexin's legal counsel is doing everything. They were mortified that this occurred during the holidays. AMC's lease says that after a certain number of years, here was a loophole that said they can basically do nothing.

Mr. Orosz asked is the church still using it?

Mr. Moore stated no, no one is using the building.

Mr. Pelaia stated I saw the chatter on the Front Porch and people are making a lot of suggestions. It would be helpful if Lexin could have shared this with us in the beginning.

Mr. McDonald stated Lexin is limited in what they can discuss and what they can do since AMC still has an active lease. But that would have been good information to have.

Mr. Carlson asked their lease does not specify that they have to keep the lights on?

Mr. McDonald stated apparently not.

Mr. Pelaia stated for the committee that will be working on the five-year plan, one topic you might want to add is the greening of the community ecologically in terms of power and utilities. Considering some of the people you might put on that committee who have some experience in this area, it takes two or three meetings to get going. The people you will ask to be part of that group will probably be very busy. I want to respectfully suggest that when you send the letters of invitation, be fairly extensive in what you

consider the mission and ask them to have thoughts prepared so that you can get started at the first meeting. I think that will save months of time to get off the ground. Thank you for all the good work you do.

FIFTH ORDER OF BUSINESS

Concluding Remarks/Next Steps

Mr. Sunnarborg stated I always find this joint meeting very useful. We are not on any type of recurring schedule. We wait until we have enough agenda items to have a useful meeting. I suggest we continue to do this. Thank you for coming and hopefully the community was benefited by this joint meeting.

Mr. McDonald stated I echo those comments. I think these meetings are very valuable and we will do it again when we have agenda items to discuss.

SIXTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Carlson, seconded by Mr. Akey, the workshop adjourned at 7:50 p.m.

Bruce Carlson, Secretary

Tom Sunnarborg, Chairman