

MINUTES OF MEETING CELEBRATION COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Celebration Community Development District was held Tuesday, September 21, 2010, at 6:30 p.m. at 851 Celebration Avenue, Celebration, Florida.

Present and constituting a quorum were:

Cliff Akey	Chairman
Paul Collins	Vice Chairman
Tom Sunnarborg	Secretary
Lee Moore	Treasurer
Bruce Carlson	Assistant Secretary

Also present were:

Gary Moyer	Manager: Moyer Management Group
Chirag Kabrawala	Attorney: Latham, Shuker, Eden & Beaudine
Jen Eden	Attorney: Latham, Shuker, Eden & Beaudine
Brenda Burgess	Moyer Management Group
Maria Fuentes	Severn Trent Services
Jim Parker	The Celebration Company
Brian Smith	Severn Trent Services
Residents and members of the public	

This is not a certified or verbatim transcript but rather represents the context and summary of the meeting.

FIRST ORDER OF BUSINESS

Call to Order

Mr. Akey called the meeting to order at 6:30 p.m.

SECOND ORDER OF BUSINESS

Roll Call

Mr. Moyer called the roll and stated a quorum was present for the meeting.

THIRD ORDER OF BUSINESS

Pledge of Allegiance

Mr. Akey led the *Pledge of Allegiance*.

FOURTH ORDER OF BUSINESS

Approval of the Meeting Agenda

Mr. Akey reviewed the agenda and requested any changes.

Mr. Akey stated I would like to add a couple presentations right after public comment period. Katherine Turner is here from Florida Hospital and would like to give us an update on the progress at the hospital. Robb Brown is here from Progress Energy to give us an update on the infrastructure upgrade along Celebration Avenue. Gary Roebuck is

also here from Progress Energy to give us an update on last week's outage we experienced.

Mr. Moore stated it looks like there are a lot of people who are here for the mosquito agenda item. I would like to move the mosquito item to be the first action item.

FIFTH ORDER OF BUSINESS

Public Comment Period

Mr. Akey stated members of the audience are limited to three minutes to make their comments.

Mr. Richard Joossens stated the Celebration High School flag pole has been installed, and it looks great. I appreciate the CDD's donation and all your help. I appreciate Mr. Moyer's help and donation. I am grateful for Mr. Smith's help. If it was not for him, we would not have had the lights and we would never have gotten it done. Great job from everyone.

Mr. Smith stated Mr. Joossens deserves a lot of the credit.

Mr. Akey stated a special thanks to Mr. Joossens and the CROA team. It was an outstanding job of organizing it and making it happen.

Dr. Michael Band stated I have been a resident here for quite a while. I am a certified occupational environmental medicine physician. I do not practice much environmental medicine because there is not much of a need for that here. I practice mostly occupational medicine. I was reviewing the process of what went on with the mosquito bid. I talked with Mr. Michael Page with the State of Florida. I believe you have talked with him.

Mr. Akey stated that is correct; he has attended one of our meetings.

Dr. Band stated Mr. Page recommended for the residents that whoever you go with that you have someone oversee the program, an independent person. Since we are going to save money with this budget, perhaps we want to hire an expert consultant to be an independent person to oversee the surveillance and the spraying and what the best thing is for Celebration. He thought that was the piece that was missing that we really need someone independent to oversee it. I hope we can get an independent person to oversee the program. I talked with Ms. Sherry Burroughs at Osceola County and they have a relationship with Clarke. It was a monetary disagreement why they did not renew contract. Their opinion what a mile is differed from Clarke's opinion on what a mile is. I watched the meeting on television and heard the discussion about Vector's proposal and how they can do it that cheaply. I am not sure you are making an equal comparison. If the

County and Clarke cannot agree on what a mile is, there is more to it than one vendor just cannot do it for that low of a price. I asked Ms. Burroughs what is the most they ever spray neighborhoods in the County and she said eight times is the most they spray in any neighborhood. I heard we are spraying 150 to 200 times in each neighborhood in Celebration. We need to determine how many times a year we are really spraying here. Then there was a debate on the larvicide, and comments were made about the EPA putting some restrictions on larvicide. I think the EPA wants more accountability, not that they will do away with larvicide. I do not think they are proposing that larvicide become a non-viable means of mosquito control, but they just want to know how much you are spraying and where and what type of larvicide. Trying to follow this process as an outsider was very confusing. A lot of people said they based their decision on what Dr. Parsons said that Option C was the right one. You all said that as shown on the meeting video. Then I see letters on the Front Porch saying that Dr. Parsons never reviewed Option C. I am confused as an independent person to figure out what transpired. You all said you agree with Dr. Parsons and I do not know if that is true or not. All of that is hearsay unless we have Dr. Parsons here. What bothers me about the money saved with Clarke is they are going to cut out the surveillance, the trapping and the monitoring. To me, that is the science behind the reason why you spray. Without that data to support the spraying, I think the residents want the science and data to support the spraying. If they are going to cut out the science behind the spraying, it gets convoluted and gets back to where you are spraying more indiscriminately. Obviously we need adulticide spraying, but the residents question how much we really need. There is a science behind where the traps are put and when you take the counts. If you put them out in the swamp, you will get higher counts. You need to put them in the neighborhoods where people are living. There are a lot of unknowns and I have talked with a lot of people. Whoever we go with, if we are going to save money, I hope that part of that savings can go toward an independent person to monitor this program on behalf of the residents.

Ms. Monica Leibacher stated I would like to read a letter from Eric Oppengaard, a resident of Celebration who is not able to be here today and he wanted to have a voice in the meeting. "Dear CDD Board, I am respectfully submitting this letter due to my being unable to attend the upcoming CDD meeting. I write bringing forth my concern for the current discussion and behavior surrounding the bid process, and award for the mosquito

control program vendor. Being involved with multiple bidding processes, I am surprised to hear how the CDD handled the bidding for the mosquito control program. To my understanding, if there is any change, new information, or question raised at any point during the allotted bidding time, the information needs to be published and made available to all interested bidding parties. I was quite surprised to learn this does not appear to be the case. From what I have read, the bid was awarded to Clarke based on information that was provided directly to them, and not to any other bidding party, thus giving Clarke an unfair advantage, especially to be considered the only bidder to meet the requirements of the CDD when those requirements were not provided to all bidding parties. Also, I have read from multiple parties that Clarke did not follow the rules of the initial RFP, stating that only one bid per vendor shall be submitted, when it is quite obvious Clarke submitted multiple on the fact that a larger amount was presented, and a lesser bid from the same company approved. I am moreover concerned as to the type and amount of spraying that Clarke has outlined. In any type of bidding practice, when there are numerous bidders all within the same scope of work, and one stating a completely different scope, this should be investigated as an anomaly. In the course of a bidding process, new ideas, and new methods may arise that differ from preceding practice. These should not be dismissed, and should in my opinion be viewed as an opportunity to learn more about what they could offer. In the case of mosquito control, I will admit I am not an expert in entomology, or a pest control expert. I do however recognize it is much less labor intensive to send a truck around spraying aerosolized chemicals into the air, rather than sending a team with a backpack treatment application in spot areas. Less labor, less cost, more profit. For Clarke to dismiss larviciding as an acceptable practice, when all other bidders are either recommending, or stating there is no possible need for the amount of spraying Clarke has done, this puts up a red flag in my book. It has been shown to me one [resident has] taken it upon themselves to contact Reedy Creek to find out the truth and found in being told that Celebration cannot use larviciding in conservation areas. Not only did Reedy Creek respond that larviciding could be used, they also stated that the method of spraying into the air is not the best way of managing a mosquito population. Reedy Creek also said they would be happy to help Celebration research control programs, and determine what would be best, free of charge. Free sounds like an awfully low price to pay for research. I urge the CDD to investigate the bidding process and listen

to all parties involved, including the residents of Celebration, whom the control and long term effects of these control programs affect. I thank the board for their time in reading this response.”

Ms. Tracey Prever stated I want to make something clear. I think some residents think we are opposed to do any sort of mosquito control in Celebration. The green task force very much realizes we have mosquitoes here and they need to be addressed. That is not our intent. Our intent is to make sure it is being monitored outside of the person we pay, which most business situations hire someone to monitor their activities. We are asking for an outside person, even if it is a part-time entomologist or someone to monitor whatever spraying company we hire. We want to see more larviciding done because that is hitting them at the egg/larva stage. I spoke to Kate Kolbo at RCID and she said no one contacted her from the CDD or from Clarke in all these years to talk about larviciding or things of what we can and cannot do. They have been doing this longer than we have. She said she is happy to help. They will come in free of charge. They will tell us what they are doing since they have similar circumstances with areas that are conservation that they cannot spray or larvicide. They have some of the same issues we do. She did say that it is incorrect to say that we cannot larvicide in Celebration because the area that RCID represents is on the perimeter of Celebration. There is a lot we can do within our town to control mosquitoes, just as they are responsible for that outside area. Working together makes total sense to me and I am not sure why it has never been addressed. We do not like what happened with the bidding process. We do feel that Clarke was given an unfair advantage. There has obviously been a big relationship between Clarke and Severn Trent for many years. I can appreciate relationships in business, but at the same time, we had maintained a status quo for 15 years. I think part of the bidding process is what will people do. Is there a better way to do things? You should always be looking for a better way to do things in life, not the status quo. Just because we have done it for 15 years does not mean that is the best thing to continue to do. The other companies are coming in and saying we are doing too much of one thing and they would like to do something else. The Board is saying it is not in the RFP, so that is against what was put out there. You say that to them, but yet you let Clarke come in with two bids at the end after the fact, and that was not part of the bidding RFP either, so that was not correct. You threw them out for that reason. You need to be fair. I spoke to Dr. Parsons who said he looked at the bids

which you hired him to do. He did not make a decision. He thought all three bids were fine. He told me that the bid he saw from Clarke was not the bid that you approved. You hired him for something but you did not let him follow through. He said he was so upset that he would never work with the CDD or Severn Trent again.

SIXTH ORDER OF BUSINESS

Presentations

A. Florida Hospital Projects

Ms. Katherine Turner and Ms. Jennifer Harper reviewed the construction projects at Florida Hospital/Celebration Health, which is a five-story patient tower to meet the needs of the community which will include an expanded emergency department and will include pediatric waiting areas and pediatric observation areas. The Nicholson Center for surgical advancement will be a free-standing, two-story building with 50,000 square feet for physician training and will include robotic training labs, innovation and technology centers, conference rooms, and state-of-the-art technology equipment.

Mr. Mohammad Alai reviewed the expansion project for the patient tower, which has already started construction. There will be a total of 360 beds at final completion. There will also be a courtyard as part of the healing center. The ponds are being rearranged and there will be a six-acre pond to provide better viewing and create more space for expansion. We will be creating a walking/exercise/running trail at the end of the courtyard, go toward the Nicholson Center and around the pond, then back to the courtyard. Work on the Nicholson Center will begin in October 2010. Phase 1 includes part of the patient tower and the courtyard will be complete July 2011. The Nicholson Center is also expected to be complete July 2011. Final completion of the total project has not been established yet. We will have two more floors to build out depending on population growth, and then we will expand the rest of the floors at a later time.

Mr. Moore stated I appreciate driving by your project. It looks like you are taking a lot of care and making it look nice and the fencing has nice skirting. I think that made a huge difference. As a resident, I appreciate that.

Ms. Turner stated several residents have requested a fitness trail that will be incorporated into the overall master site plan. It will go around the perimeter of the pond next to the Nicholson Center across the street from the fire station. We are looking forward to all of these developments being completed by July 2011. We continually look for community support and partners in the community who have an interest and a passion

for these services, a passion for health care and an interest for improving and accelerating these health care services to the community and those who are willing to step up as partners to help philanthropically. November 12 through 14 is Founder's Day weekend. In conjunction with Founder's Day, we will have a Fitness Fair. There will be activities taking place Friday evening downtown and also on Sunday, there will be fitness activities at the hospital. That will be a fundraising event to benefit the pediatric phases we mentioned in the expanded emergency department. There will also be a women's event on October 3.

Ms. Else Kapusta asked will there be a separate pediatric unit at the hospital?

Ms. Turner stated there will not be a separate pediatric unit as in a children's hospital. There will be a waiting/observation area and eventually exam rooms in the new emergency department space, but there will not be a focused pediatric unit.

Mr. Carlson asked are you linked with Nemours Children's Hospital? I know you are linked with the Florida Hospital system. Somehow we should be linked with what is going on at Lake Nona.

Ms. Turner stated Florida Hospital as a system is very much linked into the Lake Nona Medical City. We are linked through the University of Central Florida's (UCF) medical school and Sanford-Burnham Research Institute. Nemours is separate from Florida Hospital. They, along with Orlando Health, are our competitors. However, we do have a presence through our partnership with UCF and the Sanford-Burnham Research Institute. We are helping educate UCF medical students and we are also a big part of the research there as well as at the V.A. Hospital.

A Resident stated I appreciate you having a walkway. Will you have a walkway under air conditioning? This heat can be quite debilitating. In the United Kingdom, some of the hospitals have walking areas inside.

Ms. Turner stated that idea has been proposed for the fitness center, which is indoors. That proposal was brought before the recent improvements and enhancements to the fitness center, so you can bring that up again to them. That would probably be an area to incorporate a walking path on the third floor if there is going to be one indoors. They have gone to great strides in the past several months to make that a better indoor, air-conditioned space for people to exercise indoors. Hopefully this will provide a nice outdoor trail and we hope to have exercise stations along the way.

Mr. Moyer asked will the exercise trail be open to the public?

Ms. Turner stated yes, it absolutely is open to the public. I have provided fliers and business cards for members of the public who are interested.

B. Progress Energy

1. Recent Power Outage

Mr. Gary Roebuck stated I apologize for the outage last week, and I want to explain how it happened. This underlines why this project is so important to complete. They were nearing the end of the project and they did some switching earlier in the day, but that did not directly impact this outage. That was the first question I asked. In talking with the dispatcher, that switching really did not have an effect on the outage but it did have an effect on our ability to service equipment. About 5:30 to 6:00 p.m. is our peak load, which is about the time the outage occurred. Because what we had switched out with this construction project, it eliminated a contingency for picking up the load. When we start picking up a load, we were maxing everything out. There was nothing brilliant that Progress Energy did to restore power. As it got later in the evening, there was not as much load so we were able to pick it back up. The crews worked all through the night. A 1,000-kcmil underground cable failed and it also took a switch gear out when it failed. Crews worked overnight to get the cable repaired. We were able to pick up the load after it dropped off a little. Crews worked all night and the next day to get us to the same position we were in just before the cable failed. We were able to divide the load between two breakers. It was very unfortunate timing. I identified the area where I wanted the improvement in Celebration. The first year in my operations role, we had a failure that we could not do anything about because it was a radial, which means we do not have a way to loop around if something were to go wrong. I did not like the exposure, so I started pressing Progress Energy to do something about it. We will be in a much better position in the next few days as the project concludes. I apologize for the timing of this. We just missed it. It would have been nice if we had completed it before the outage. We are ahead of schedule on the project. If all the switching was back to normal and our new switching contingencies were in place, this would have been much less painful.

Mr. Carlson asked what caused the cable failure? They should not normally fail.

Mr. Roebuck stated they should not normally fail, but we have a lot of cable failures. It could have been a shot of lightning, which we have experienced a lot this summer. Sometimes it will take a shot of lightning and you will not know it is bad until the day

that it fails. What we did proactively, on Friday after this event, the regional service manager went to every switch gear between the Bonnet Creek substation and the breaker at the Celebration substation. He infrareded every connection and every switch gear from one side to the other to make sure we do not have any equipment that is heating up, something else that is a ticking time bomb waiting to go off. We feel good about our system. I cannot tell you exactly why that cable failed, but I believe we have not had anything on either of those circuits fail in three years.

Mr. Carlson asked with the work you are doing, do we have redundancy in the system to prevent this in the future?

Mr. Roebuck stated we would have been able to divide that load up. If we had another small place to pick up just a little of the load, we would have been able to pick it all up. Yes, we will have more redundancy with the work we are currently doing.

A Resident asked if, as a community, we reduced our demand, would that have made a difference to you and would that be less for you to pick up?

Mr. Roebuck stated yes.

The resident stated I do not know if we have a system in place where you can text or somehow notify people to let them know there is an emergency situation and request that they reduce their load. That would save a lot of anguish in the future.

Mr. Roebuck stated with the project that we are completing, we will have enough redundancy if that happens again at 5:00 or 6:00 p.m. on a very hot day. We will now be able to pick up that load. It was just very unfortunate timing.

Mr. Akey stated there is an emergency management team committee that Ms. Lori Rockel from CROA heads with a number of people, and I am sure this will be on their agenda. They look at how to make sure they are connected with Progress Energy and they meet once a month.

Mr. Joossens asked would it help at all if more people were on the energy conservation program, where you monitor it and can kick it off? Would that have helped?

Mr. Roebuck stated I would encourage everyone to take advantage of the energy program, but I am not sure how much it would have helped in this instance. It was localized; it took out two breakers and we needed three.

2. Progress Energy's Construction Project on Celebration Avenue

Mr. Robb Brown stated I am happy to report that we are extremely ahead of schedule on the project, to the point where we are virtually complete with all heavy construction.

We have some landscaping to do at the church that is scheduled for this week and to do our testing that is necessary, finalizing the integrity of the system that we have built and putting it into service. As Mr. Roebuck mentioned, the outage was a timing issue. The good news is we did complete this project well ahead of schedule and we will get it in service this week or early next week. We appreciate everyone's cooperation with us during construction. We received nothing but positive feedback from the residents. We were in constant communication with Mr. Smith and his staff. Some of the utility locates were challenging with existing facilities and sidewalk closures and their efforts were outstanding. Outside of one area that we kept in constant coordination at Waterside Drive, I do not know that we had any sidewalk closures longer than five or six days. As soon as we tore them out, we were restoring them right away. Our turnaround time and landscaping efforts went very well. We will need to landscape around the new facility and the equipment we installed at the church. I drove by there tonight and it looks like everything else has been taken care of and our cleanup efforts have gone well. We appreciate everyone's cooperation during this project.

Mr. Carlson stated thank you for the work you have done. Coming back to Celebration, we put all cables underground because we did not want to suffer outages from hurricanes or the normal problems that you have or the aesthetics of having overhead cables. Is there any longevity issue with the cables we have underground like the one that failed that we should be aware of in the future?

Mr. Roebuck stated the quality of underground cables that we are installing has improved greatly over the last 15 to 20 years. The life of the cable is 35 to 40 years. For a cable to fail, it will be one of a couple things. It will either be something out of our control, such as Mother Nature/lightning, or it could be human error where we overload a cable. We could switch something in such a manner that we overload a cable and melt it down. If we do our part, these cables should last a long time. The reliability of those two circuits and breakers that came into question with this outage, there are very few circuits we have that do not have an outage over a three-year period of time. I believe you accomplished what you are looking for when you said you wanted the cables underground. I can assure you that if you had an overhead circuit, you would have had more outages from multiple things: animals, lightning. Overhead cables are more

susceptible to lightning than underground cables. But just because it is underground does not mean that it will not take an occasional lightning hit.

SEVENTH ORDER OF BUSINESS **Consent Agenda**

A. Minutes of the July 20, 2010, Workshop and August 17, 2010, Regular Meeting

B. Invoices and Check Register

Mr. Akey reviewed the Consent Agenda, and requested any corrections, additions, or deletions to the minutes.

On MOTION by Mr. Sunnarborg, seconded by Mr. Moore, with all in favor, the Consent Agenda was approved.

EIGHTH ORDER OF BUSINESS **Action Items for Board Approval**

A. Consideration of Formal or Informal Process Related to Mosquito Bid Protests

Mr. Moyer stated Ms. Eden has reviewed this material and she will advise the Board on the procedures that are contained in the District's rules of procedures, which were formally adopted pursuant to the Florida Administrative Procedures Act, which is Chapter 120, Florida Statutes. Within those rules of procedure are provisions for how this Board deals with bid protests: informal and formal.

Ms. Eden stated Chapter 120, Florida Statutes, provides two ways in which to resolve a bid protest. You can resolve it in an informal manner. Within seven days, you can meet with those who are protesting the bid and try to work something out. In the event something cannot be worked out, you then go to the formal process, which is before an Administrative Law Judge (ALJ) to have everything heard and decide whether or not there are grounds for a formal protest. There are some things that go into that. For instance, you have to have your bid protest submitted within a certain amount of time. You have to list everything you are protesting. I went back to both of the protest letters, and the grounds that Clarke received information that was not available to others is not one of the grounds that is listed in the letters. You have to notify the Board as to what you are actually protesting. Then the Board can decide whether they want an informal process, which is where you sit down and try to work it out, and if you are not able to work it out, then you go to the formal process where you have a period of time to say these are the grounds for the protest that you believe did not allow the bid to go out properly and these are the grounds that you are going on. There is another element to this,

and that is that a bond be posted and other things be done. Right now from a procedural standpoint, I am not sure there are procedural grounds that they were properly protested. Getting past that, my recommendation is to have an informal meeting. I have heard the comments that have been made. I do not think it will hurt anyone to have an informal process where we go through what actually was done in the bid process, what information was actually given to everyone who was bidding, and I think that is important. One of the things you will look at is if the same thing happened to everyone. If that is not able to happen, then you go to the formal process, which an ALJ hears, walks through the criteria, looks at what was determined, looks at what the protest was about, and then determines whether or not the discretion of the Board in looking at these protests was done properly. My recommendation is the informal process. We have two firms protesting and I am not sure they meet the procedural criteria. I do not think there is a downside to meeting with them, going through the information in the bid protest and most importantly, what information was given to each of the bidders, that it was given at the same time, the same information across the board. I think it will help if you can sit and discuss it. Even though I am a litigator, I still try to work things out in the beginning if it is possible to do that. I think it will also help for the public to understand exactly what information was given to all bidders. Having said all that, my recommendation is to proceed with the informal process, regardless of the fact that we still have defenses as to whether or not the procedures were followed with the proper bond, notice, and so forth. We should try to work it out, and if we are not able to, then the next process is to go to the formal bid protest process which will be in front of an ALJ. It will include a mini hearing where you hear both sides, you take evidence, and you will hear what each side has to say. The ALJ will make the final determination.

Mr. Collins asked who participates in the informal hearing?

Ms. Eden stated there will be a representative from the Board, counsel can either be present or not be present, and the protestors. You have two issues. One is that you have two protests. Typically the protestor who is ranked second has the right to protest. Sometimes it is questionable for the third-ranked person to protest, because even if they win their protest, they are still behind the second-ranked person. The third firm may not even have standing. In my experience, I think it is better to hear both protests and see if there is any merit or if there is something that we missed. I do not think there is. When

you look at all the documents, and I realize the public has not seen all the documents, but I think it is a good idea to show everyone exactly what we have and have a meeting to show them what we provided to everyone, review the protest requirements, list the allegations they are making, show the evidence that we have, and try to work it out. There is nothing wrong with that. You try to work it out and give all the reasons why you made the decision that you did. If there is something more to that and it cannot be resolve, then it goes to the ALJ to determine whether or not the process was done properly. I do not see a downside to going through the informal process.

Mr. Akey stated for the informal process, you indicated one member of the Board could attend. Could we schedule a public meeting so all of us can be present?

Ms. Eden stated you set the parameters of this meeting. There are no rules as to how it is conducted. If you want to leave it open to everyone, there is nothing wrong with that.

Mr. Moyer stated your rules of procedure provides for that flexibility. It can be the whole Board, it can be a committee, it can be just about any way you want to structure it.

Mr. Akey stated hearing all the questions and the issues, we can also invite other people. I have heard others being quoted, but they are not in attendance tonight. My suggestion to the Board is to schedule a public meeting and this informal review will be the only subject of the meeting. We can review any questions that anyone from the public has.

Ms. Eden stated I have one caveat to that. I believe two people spoke to RCID and verbally heard what you are allowed to do and not do. I would ask for written confirmation from them as to what we are allowed to do and not do. I can call two people and get two different answers. We are having this meeting for both parties, so we need to know exactly what facts are on the table so that we are in sync.

Mr. Moyer stated we have made that request from RCID.

Mr. Akey stated we could ask them to attend the meeting and make their comments to the question right on the camera.

Ms. Eden stated that is my only caveat, so that way anyone who has questions are actually seeing who agrees with what and understands who is giving authority to say we can or cannot do certain spraying. I think it is the best thing to do for the Board so that you know that you have alleviated any concerns the public has. I think they will be alleviated. I realize all this information is tedious to go through, but if you had that in the

meeting, it will allay concerns and you will end up going through the process the way that it should be.

Mr. Moore asked what are the possible outcomes of this meeting?

Ms. Eden stated you can settle.

Mr. Moore asked settle in what way? Can we choose any one of the bidders at the end of that meeting? Or only follow the protests?

Ms. Eden stated no, this is a mediation to decide whether or not our process was correct.

Mr. Moore asked can we reopen the process?

Ms. Eden stated you may get to the end and decide that you want to reopen the process.

Mr. Moore asked what does RCID have to do with the process?

Mr. Smith stated there is a question of whether or not larviciding is allowed.

Mr. Moore stated that does not have anything to do with the RFP process.

Mr. Akey stated they are part of the objective.

Mr. Moore stated that has to do with our RFP and do we want to follow the RFP and do we have the right information. That has nothing to do if we followed the process.

Mr. Akey stated that is correct.

Mr. Moore stated the process is, was there an advantage or not; that is it.

Ms. Eden stated frankly, you have a very valid point. There are two grounds on which to object. One is if the RFP did not have the specifications it needed, and those are not the grounds for either of the two protests. The grounds for the two protests are very brief, basically that someone was allowed to give several options in one bid. It was not how the RFP was presented. So you would not address that unless you chose to.

Mr. Moore stated you could go down that path for no reason. Would you throw out the RFP at that point? I still do not understand.

Mr. Moyer stated when we get to that point of having a formal or an informal process, the first thing that everyone needs to understand is what an RFP is, and I am happy to do that. An RFP is not a hard bid; it is part quantitative and part qualitative. Therein lies the problem you will be dealing with. I find it interesting that the people who spoke tonight were saying that we need to listen to what other people have to say. To Mr. Smith's credit, he took a bid process and opened it up to listen to what other people had to say.

The reason we are here tonight is because we permitted that. Of the bids that were submitted, frankly, most of the bidders were not responsive to the bid specifications. Mr. Smith said if there is a better way to do it, we want to know what that better way is. Now we have to go through this protest process. I think it is important for the audience to understand that an RFP is not a bid based on price; it is a bid that is based on a variety of factors. Price is one of them. Qualification is one of them. Experience with previous contracts is one of them. That is all laid out in the specifications. Everyone who bid knew the criteria. With all due respect to Dr. Parsons, the only thing this Board needs to understand is that the recommendation that came to you recommending Clarke was not based on their Option C; it was based on their first proposal, the highest price. The group that reviewed those proposals, including Dr. Parsons, said that Clarke was the most qualified. They penalized Clarke for having the highest price based on the point system in the criteria.

Ms. Eden stated that is correct. I think it will help the public understand if you share that information.

Mr. Collins asked they still recommended Clarke even though the price was substantially higher?

Mr. Moyer stated yes, and Dr. Parsons participated in that process.

Mr. Moore stated that is my point exactly. We are arguing the RFP. If we are going to the next process, we should be prepared to not allow extraneous things. The issue is, did we break the RFP rules to give someone an unfair advantage. That should be the only thing we discuss.

Ms. Eden stated that is the only grounds for the protest, not that the RFP was incorrect.

Mr. Moore stated remember I was the only dissenting vote on that contract award. I think we are going down the wrong path if we allow these other issues. On the other hand, if we feel there are other things, could we rebid the contract?

Ms. Eden stated yes, you are absolutely allowed to do that. The point now is, we have to follow the Statutory process for these two protests. As I indicated before, regardless of whether or not they have met the procedural criteria of a bond and submitting the protest on time, they are dealing solely with how the selection was made, not the RFP. That means if you limit it to that, the Board will look solely to whether or not you followed the

RFP and the process, including was the scoring right. As Mr. Moyer said, there is a wide range of discretion when you get to that point. There are two separate types of bids. You can have one that the Board is so sure of where you determine that it is all based on price. That is not this bid. That is a Statutory designation for certain types of bids that are based solely on price. That is not what we are dealing with. We are dealing with who is going to give the best quality and who is going to address the concerns that are contained in the RFP. There is broad discretion of the Board. It is up to the Board to decide whether or not to open it up to other issues. The protests only refer to how the selection was made and not the RFP itself.

Mr. Moore stated I think we will disappoint people if we do that. I believe that is not the right way to go personally. Perhaps we should because we should respond to those questions, but I think we will find that we followed the right process.

Ms. Eden stated I agree.

Mr. Moore stated I think we should do that anyway. Two companies said that we did not go through the correct process. I think we should proceed with the informal process. Because other things have been brought up, I think we have almost rethought the entire process. The bid process itself was very difficult. It was a difficult RFP to put together. In hearing from the companies, I think we put them into a corner asking for how many miles they would do. If we have to do it over, and maybe we will have the opportunity to do that, we can ask if they started a comprehensive program for Celebration, how much would they bid on. How many miles would they spray and how many other services would they provide. I would ask them, what would you provide in Celebration to start the process over again to provide a comprehensive program instead of laying out everything. It worked for some companies but not for all of them. Some of them did not respond well to it. Several of them did not respond the way we wanted them to respond. Clarke was the only one who responded the way we expected.

Ms. Eden stated I will address one concern with that. We are getting to the point where we are not getting into the mosquito season and there is no safety or health hazards. I think the Board, at that point, should go on a month-to-month contract so that we have a contract in place while we go through this process.

Mr. Moore stated I agree. My second point is a question about Dr. Parsons that I do not want to address. The third point is the biggest issue for me that I should have

articulated at the meeting before I voted. We received a recommendation for Clarke the day of the meeting. Before the presentation workshop, we received the information well in advance. Because we had to change the numbers and look at the plans, we received that information for the Clarke recommendation the day of the meeting. I should have asked the Board to delay it a month just so that we could have some community input into that information. I think that is our error that we did not allow an opportunity for the green group or the rest of the community to look at those bids. I think we presented them the same day as the meeting. I am fine with us coming up with the same outcome of voting for Clarke. My recommendation is to reopen the process. Mr. Carlson was not able to hear the presentations and the discussion.

Mr. Collins stated my recollection is that we received the bids and we waited until the next meeting to make the decision.

Mr. Moore stated I believe we received the last recommendation that day at the meeting. We did not get it in advance like we did for the other ones.

Mr. Smith stated the Board requested after the presentations, because Clarke had Options B and C, that we make it an equal comparison. At the following meeting, I provided additional information to the original handout that showed those other two programs for you to consider.

Mr. Moore stated I agree but we did not have a chance for the community to look at that information is all I am saying. I saw it, but the community did not.

Ms. Eden stated there needs to be a determination. Unless Clarke and Vector agrees otherwise, we have a protest before us right now. That means when you go to mediation, you do not want to say there was anything wrong in what you did. I believe the information will show that the process was correct. We need to determine if they are willing to discuss it at a mediation meeting. With no admission that there was anything wrong with the process, we will say we are willing to open it up. I do not think you want to go into an open bidding process and leave that not addressed. These protests need to be addressed, both from a procedural and a substantive standpoint.

Mr. Carlson stated I recommend that we proceed as counsel has suggested, in terms of opening it up and having an informal process. We allow public comment and expert comment to come here for that informal process so that it is an open process for the community. We will see where that goes and make a decision from there.

Ms. Eden stated there needs to be a decision or an understanding that the process was right.

Mr. Carlson stated the meeting is to address the protests that were made and we want to adequately address the protests that were made. The Board awarded the bid and we need to address the protests.

Ms. Eden stated I also suggest having a month-to-month contract with your current vendor while you go through this process.

<p>Mr. Carlson made a MOTION to proceed with an informal televised protest hearing to include the full Board, legal counsel, the public, and those referenced during audience comments, to allow public and expert comment, and to authorize staff to negotiate a month-to-month contract with the current vendor during this informal process.</p> <p>Mr. Sunnarborg seconded the motion.</p>
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Mr. Collins stated I agree with the recommendation.

Mr. Moore stated I agree that we need to respond to the protests. I would like to know the process of what happens afterward. Does that come back to the Board with a recommendation after seven days?

Ms. Eden stated it really is up to you.

Mr. Moore stated we should lay that out. We will go through the informal process, but does that come to the Board next month with a recommendation?

Ms. Eden stated it depends on what happens in mediation. If the two protestors say they do not want to mediate because they think we did the process wrong and so forth, we are now in front of the ALJ. If we tell them at mediation that we think we did it right but in the event that you allow us to open up the bidding process again to consider the other issues, you can do that, but you need to have a finding that you are not going to leave the protest out there. You have to resolve the protests one way or the other. Either you resolve it at mediation and say you will open it up again, or if they do not agree to open it up again, you need to resolve that the bidding process was done correctly. Then you as a Board determine that even though you believe the bidding process was done correctly, you can still open it up again for the betterment of everyone involved. The big thing is, you have to address the substantive issue of the protest before you move onto opening it up or go through the formal process. If they go along with that, then everything is fine. If

they choose not to do that and want to maintain their bid protest, then we must go through those procedures.

Mr. Moore stated I agree but I think we should setup the parameters. Is it a meeting of the Board? Are we sending the Chairman?

Mr. Carlson stated the motion anticipated setting it up as an open Board meeting, as a public meeting with everyone present to address the issues, including RCID and the public.

Mr. Moore asked do we need to set a date?

Ms. Eden stated you need to give them seven days' notice but that is not a hard and fast rule. You can agree to something different. You just need to make sure you have a contract in place in the interim.

Mr. Akey stated we can do that.

Mr. Sunnarborg stated I feel the need to bite my tongue a lot tonight about the need to rebut some of the things that were said earlier. As counsel, would you advise us to hold that?

Ms. Eden stated yes. A lot of what was said tonight are legitimate concerns because they do not have the record in front of them, which is one of the things I said earlier about RCID. I believe wholeheartedly that the person this resident spoke with at RCID said exactly what you shared. The difficulty is that until you have the information in front of you, you are relying on something that someone else said when they may have actually said something different. Once you get all the information, you may change your mind. I am a litigator but I see the point in mediation because sometimes people do not have all the facts before them. When they do, it may change everyone's position. With that said, I think this meeting has to be inclusive of what is on the table, and a written position from RCID. It may not calm everyone down, but it will calm you down to the point where you can understand someone may think differently than what we have before us.

Mr. Sunnarborg stated disagreements are fine, and this is a free country. The only thing I will say to the public and the television audience is, do not necessarily take what was said tonight as fact until this is all resolved.

Ms. Eden stated that is what mediation is for, to get all the information out there. You are able in mediation, if we can get past them wanting to go through the formal process, to create whatever remedy you want. Once you get to an ALJ, you are not able to create

any remedy that you want. In mediation, you are in control when you have all the facts before you.

Mr. Collins stated because of what was said here tonight, I think it is important to do what Mr. Carlson suggested in having a public meeting so that everyone can hear the facts. I agree with Mr. Sunnarborg that I am having a hard time withholding my comments to some of what was said.

Mr. Moore asked do we need to choose a date?

Mr. Akey stated let us vote on the motion and if it passes, we can select a date.

Ms. Prever stated I have something that I want to read. I have a letter from Dr. Parsons that I would like to read.

Mr. Moore stated I think we are going to go through the process and we can hear it at that meeting.

Ms. Prever asked will it be televised?

Mr. Moore stated yes.

Ms. Prever stated I would at least like to read this letter. I thought there was an opportunity for public comment.

Mr. Akey stated I do not have any public speaker forms for this item.

Ms. Prever stated I still have it.

Mr. Sunnarborg stated the question is, are we going to go through the formal or informal process.

Mr. Akey stated that is correct.

Mr. Carlson stated the point of the informal process is that all comments and all letters will come out and be public. It should be at that point in time.

Mr. Akey asked is that a letter from Dr. Parsons to you personally?

Ms. Prever stated yes. It is something he said to me and I have it in written form.

Ms. Eden stated you have a pending motion that needs a vote.

Upon VOICE VOTE, with all in favor, unanimous approval was given to the above motion, as discussed.

Mr. Akey stated Mr. Moyer will set some dates, coordinate calendars, and advertise the meeting.

Ms. Prever stated because you are talking about Dr. Parsons, I have a letter that he sent to me, where he says I had not heard the details of what happened with the bidding

but it is probably just as well. I attended the bidder presentations on July 20, 2010, and heard a Board member and someone from Severn Trent saying they considered Clarke's three bid plans, A, B, and C as acceptable bids. I decided I would not be involved in Celebration anymore. Before the final bid, Mr. Smith called me and said that Clarke was going to get the bid. I did not realize it was Option C. I told him that I considered Clarke qualified and that I did not object to them getting the bid; however, I did not mean Option C. At the review, Mr. Smith, Ms. Fuentes and I scored them on Option A. No matter, I do not want to be involved anymore. I would suggest you check with Osceola County and find out why they dropped Clarke. Also, I would recommend the Board have someone with mosquito control experience, not me, monitor the program.

B. Delegation of Leadwalk Extension Approval to CROA

Mr. Kabrawala stated after your last meeting, I reviewed the agreement that CROA sent to the CDD to assign the authority to approve certain improvements on District property. After the last meeting, Ms. Carpenter and I recommended that it be a temporary delegation of authority rather than an absolute assignment. We have redrafted that agreement that I will distribute for your review. We discussed a six-month delegation of authority revocable at our will. The items can probably be better described, but so far we limited it to mailboxes, stepping stones, and small plantings, and we provided that none of the material interfere with our District property. I know there are some stepping stone guidelines that Mr. Smith might have, which can be an exhibit to this agreement. I wanted to keep it as narrow as possible and revocable whenever we so desire.

Mr. Sunnarborg stated I think the intent is we will review this between now and the next meeting and vote on it next month.

Mr. Akey stated that is correct.

On MOTION by Mr. Sunnarborg, seconded by Mr. Carlson, with all in favor, approval was given to table consideration of this item for the next CDD meeting.

C. Consideration of "Park Closes at Dusk" Signs for Arbor Park

Mr. Akey stated I have talked with Mr. Floyd McCollum and Captain Andy Lang at the Sheriff's department. We will have a meeting to discuss this item further. We are trying to schedule it for next week regarding the response and the process within the Sheriff's department. Captain Lang has now been promoted from Lieutenant so we offer

our congratulations to him. I would like to table this item until next month so that Captain Lang, Mr. McCollum and I can review it properly.

On MOTION by Mr. Akey, seconded by Mr. Carlson, with all in favor, approval was given to table consideration of this item for the next CDD meeting.

D. Extension of Use Permit for Orlando Segway Adventures

Mr. Moyer stated we issued this permit previously on a rolling basis, and we have not had any complaints or problems. I suggest we offer a one-year extension.

On MOTION by Mr. Collins, seconded by Mr. Sunnarborg, with all in favor, approval was given to renew the use permit for Orlando Segway Adventures for one year.

E. Consideration of Upgraded Sound System for Videotaping Meetings

Mr. Moyer stated it was suggested that we look into this since parts of our meeting are hard to understand due to a lack of microphones. This is a proposal to add more microphones.

Mr. Sunnarborg asked is this the total cost, or is some allocated cost? If we pay for it in whole, do we own it?

Ms. Kapusta stated these are the straight prices to purchase it. There is no padding to those costs. The cost is for a new sound board and three extra microphones. You can own it and I can use it.

Mr. Moyer asked does the Board have any problem with her having custody of it?

Mr. Sunnarborg stated no.

On MOTION by Mr. Sunnarborg, seconded by Mr. Moore, with all in favor, approval was given to the proposal for an upgraded sound system for videotaping the CDD meetings, as discussed.

Mr. Moyer stated if it is acceptable to Ms. Kapusta, I would prefer the CDD purchase the equipment directly in order to save the sales tax. If she does not mind, we will issue the purchase order and mail the check, and she can do that work on our behalf so that we can save the sales tax.

Ms. Kapusta stated that is fine.

F. Consideration of Aquatic Weed Proposals

Mr. Smith stated I provided the Board with the bid packages that we received. We received four bid packages and this is for your review. The top sheet is the list of items from the bidder instructions in the RFP. We tabbed their information according to the list because some of them did not have all the information. Between now and next month's meeting, please let me know if you have questions. We would like to have this as an action item next month.

Mr. Moore asked were there any surprises?

Mr. Smith stated no, but I think once you go through them, you will see our challenges that we sometimes have. We get some that are not that good and some are very well done. The dollars usually match the quality. We want the Board to see these so that you can make an educated decision.

Mr. Akey asked when does our current contract expire?

Mr. Smith stated September 30, 2010. They will work with us to go month to month. I will send them a letter and I will also send one to Clarke to continue on a month-to-month basis.

Mr. Collins stated I wanted to single out the work Mr. Smith and Ms. Fuentes have done in bidding out all our contracts. In the past eight months, we have bid virtually all of our contracts. Some of this work is not very easy to do. We want to find the highest quality product for the lowest price. I think they have done a great job for them to provide that information to us and it has made our job easier. We have bid out \$3.5 million and we have saved \$1 million. One thing that has been called into question is our staff's reluctance to change out companies who work for us. Changing out companies is a lot of extra work training a new company, but we have had no reluctance in doing that. If we feel we are going to get a better company with a good price, then we do it, and our staff fully supports us in doing that. I know they have done a huge amount of work and I want to recognize them.

Mr. Sunnarborg stated I wholeheartedly agree.

NINTH ORDER OF BUSINESS

Staff Reports

A. District Manager – Financial Statements

Mr. Moyer reviewed the financial statements, which are included in the agenda package and available in the District Office for public review during normal business hours.

B. Field Operations

i. Monthly Highlight Report

Mr. Smith reviewed the Field Highlight Report, which is included in the agenda package and available in the District Office for public review during normal business hours.

ii. Communication and Complaint Log

Mr. Smith reviewed the communication and complaint log, which is included in the agenda package and available in the District Office for public review during normal business hours.

iii. Staffing

Mr. Smith stated the new painter has been hired and he is well entrenched in his work activities. He is doing a great job and is very knowledgeable, so that will help us with the painting projects. The concrete employee was hired two weeks ago and the third person has also been hired and will start the end of this week.

Mr. Akey stated the office administrative staff will start in October. I will echo Mr. Collins's comments regarding these bid packages. Congratulations to Ms. Fuentes on her new office title. We appreciate the work you do for us.

C. Attorney

Mr. Kabrawala stated I have a status update on The Celebration Company (TCC) property swap. We have exchanged counterparts to the documents for our due diligence, and there is nothing extraordinary related to that. I am corresponding with Chris Jones who is the attorney for TCC to obtain a warranty deed and other closing documents. I expect to have those next week. The Board has already given the authorization to execute those documents.

D. Engineer – Roadway Progress Report

Mr. Smith stated Mr. Vincutonis called me to indicate he had a death in the family and would not be attending the meeting, but he did not have anything to report.

Mr. Akey stated in October, we should have the County come out and go through their scope of things to do. We have crosswalk painting and curb repairs that need to be done. Now that some of the critical items are complete, I think it would be good to have a meeting with the County road and bridge staff.

Mr. Smith stated I saw Joe Bitar doing a drive through out here recently, I talked with him about the diamond signs on Eastpark and Norfolk where we wondered if they had to be there. He was out looking at those and several other issues that we have.

Mr. Akey asked for the Halloween traffic plans, is Mr. Collins on that committee?

Mr. Collins stated yes.

Mr. Akey asked you have met with Mr. Bitar?

Mr. Collins stated yes.

Mr. Akey stated he asked me about that, and I told him I thought you were helping coordinate that. I think you are pretty set with those plans.

Mr. Collins stated Ms. Liz McCollum is setting that up with CROA. They had a meeting a month ago but I think we will have one more meeting. The plan is to block off the town, which we have done only once before.

E. Chairman – Update on Joint CDD/CROA Issues

Mr. Akey stated we are looking at a date change for the joint workshop with CROA.

F. The Celebration Company’s Representative

Mr. Parker stated work is on schedule for Celebration Place at U.S. 192. We have been working on the Celebration Place portion of it. Work is essentially complete. They will be putting in the asphalt the remainder of this week, complete by Friday and the striping complete by Monday. By Tuesday or Wednesday, they will be wrapping up the Celebration Place portion of it. Then we will move the maintenance of traffic to U.S. 192 to start next week and wrap up the end of October. The contract goes until end of November, but we are moving to complete early.

Mr. Akey stated thank you for your help in coordinating work with the County on Celebration Place with the raised pavement. The only other road item that is not our jurisdiction is World Drive at Celebration Boulevard coming off I-4, which is a State road. I have three State contacts and I will call them tomorrow. That work was supposed to be completed by September/October timeframe to cut it out and redo that whole area. They monitor it monthly and hot patch it when needed, but it does not last long.

TENTH ORDER OF BUSINESS

Updates and Discussion Items

A. Progress Energy’s Construction Project on Celebration Avenue

This item having been discussed earlier in the meeting, the next item followed.

B. Sheriff Services

There being nothing to report, the next order of business followed.

ELEVENTH ORDER OF BUSINESS

Other Business

Mr. Sunnarborg stated I mentioned the idea of setting up an objectives setting workshop for the Board. I have corresponded with Ms. Burgess and I know it is hard to

find a date that works for all of us, but she is working to try to find a meeting date. In the meantime, I would ask the Board members to give some thought on topics for things we could or should discuss for our objectives for the Board for the next fiscal year, things that we will setup in advance and grade ourselves at the end of the year, as well as items to pass onto staff for their objectives.

TWELFTH ORDER OF BUSINESS **Supervisor Requests and Comments**

Mr. Moore stated we discussed setting up a meeting for the bid process. I wonder if we can have that meeting earlier the day of the October meeting if the rest of the Board is available. I am not traveling that day.

Mr. Akey stated that definitely works best for me.

Mr. Moore stated I want to echo what Mr. Collins said and I know that it sounds like this bid process was an attack to staff in some ways. I think at the end of it, we will find that the RFP process was followed exactly. I just wish that when Ms. Prever and her group were here that day for the bid process if we had held off making a decision. I think if we do things more in the open, people would understand the process. It may be the same outcome but I wish we had given them more input into that process. We did up until the bid process, but we did not follow through to make sure they were able to be there. It is unfortunate.

Mr. Moyer stated it is our understanding that Dr. Parsons was their appointed member to work with us on the RFP and the bid process. It is unfortunate that Dr. Parsons got frustrated in that. I think the Board has always been supportive of getting someone to oversee the contractor. We talked with Ms. Burroughs at Osceola County about doing that, and we ended up with Dr. Parsons to do that instead. Any implications that Mr. Smith or I or Clarke has any objections to people overseeing what they are doing, does not exist.

Mr. Moore stated at the end of the day, I think we will go through this and have a third party involved. It is a lot of work to go through the review process and it is not a perfect process. It is a challenge, and staff did a good job with it.

Mr. Sunnarborg stated as it relates to scheduling other meetings, I am happy to let you know that I will have much less flexibility in my schedule now. My new job is 75 minutes away, so the idea of scheduling workshops before our meetings might be hard for me, but I will do my best to do my duty. It will be a little harder from now on.

Mr. Akey stated congratulations on your new job.

Mr. Akey stated earlier in the year when we had Mr. Tom MacCubbin out to review our tree trimming practices, I mentioned bringing him back. I would like to bring him back for five to six hours the first week in October to ride with Mr. Smith and me and let him do some observations on our tree trimming.

Mr. Sunnarborg stated that is a good idea.

Mr. Collins stated I agree, I think it is a great idea.

Mr. Akey stated I will schedule that for him to come out.

Mr. Moyer stated I was encouraged to hear that Florida Hospital is going to do fitness trail. We spent some time on that issue, and CROA parks and recreation department has spent a lot of time on that issue. I presume it is the Board's desire to put some of that effort with Florida Hospital to do their fitness trail system rather than to do it on our trail system or on CROA's parks. Is that the direction that you think makes sense?

Mr. Akey stated I had a conversation with Ms. Rockel and I asked her to get some items together. She was going to do that and she was going to ask if she could bring that to the October meeting. I said she could bring to us what they are looking for and bring it to the October meeting so that if it has enough substance, we can vote and decide on it.

THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Moore, seconded by Mr. Collins, with all in favor, the meeting adjourned at 8:05 p.m.
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Tom Sunnarborg, Secretary

Cliff Akey, Chairman