

MINUTES OF MEETING

CELEBRATION COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Celebration Community Development District was held Tuesday, December 20, 2011, at 6:30 p.m. at the Celebration Community Center, 851 Celebration Avenue, Celebration, Florida.

Present and constituting a quorum were:

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

Also present were:

Gary Moyer	Manager: Moyer Management Group
Jan Carpenter	Attorney: Latham, Shuker, Eden & Beaudine
Mark Vincutonis	Engineer: Hanson Walter & Associates
Wes Cleaves	Girard Environmental
Jim Parker	The Celebration Company
Brian Smith	Severn Trent Services
James Smith	Girard Environmental
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. Sunnarborg 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. Sunnarborg led the *Pledge of Allegiance*.

FOURTH ORDER OF BUSINESS

Administrative Matters and Announcements

Mr. Sunnarborg stated for those who are new to our community or watching our meeting for the first time, please note that the Celebration CDD (“CCDD”) is a local unit of special-purpose government created pursuant to Chapter 190, Florida Statutes. That means that we are a real, elected public government, just a special-purpose government, limited by what the law expressly allows us to do, as opposed to general-purpose governments such as Cities, Counties and States, that can do as they choose except for

what is prohibited by law. We are not the Enterprise CDD, which operates the water utility company and is responsible for the infrastructure at Celebration Place, Water Tower Place, and west of I-4. We are also not the residential (CROA) or non-residential (CNOA) property owners association. Our primary responsibilities include the financing and construction of the community's streets and alleys, street and alley lighting, stormwater management systems, walking trails, sidewalks, boardwalks, and some of the passive parks, as well as the maintenance of those same facilities, including the street trees, stormwater quality, and aquatic weed control. We are also responsible for the enhancement of some Osceola County services, such as mosquito control. Please also note that you can retrieve much more information about the CCDD, who we are, what we do, which physical areas we are responsible for versus other entities, how to get in contact with us, and access our public records on our website, www.CelebrationCDD.org.

Mr. Sunnarborg stated I have a few announcements. One, please be careful not to over fertilize or overwater your landscape. Know that there is already plenty of phosphate and nitrogen in the reclaimed irrigation water. Two, please do not wash your landscape clippings down the storm drains or allow your contractors to do so, as that additional organic matter is a primary contributor to our water quality management challenges. Three, please remember that it is not acceptable to put up signs in our CCDD right-of-way. Our staff is authorized to remove signs placed in our right-of-way without our permission. Four, please remember that the speed limit in Celebration is 25 mph unless posted otherwise, and our stop signs really do mean stop.

FIFTH ORDER OF BUSINESS

Approval of the Meeting Agenda

Mr. Sunnarborg reviewed the agenda and requested any changes.

SIXTH ORDER OF BUSINESS

Public Comment Period

There being none, the next order of business followed.

SEVENTH ORDER OF BUSINESS

Consent Agenda

A. Minutes of the October 26, 2011, Workshop and the November 8, 2011, Regular Meeting

B. Invoices and Check Register

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

Mr. McCollum stated on the workshop minutes on page 23, the last line should be “neither” instead of “either.” In those same minutes on page 40, the last sentence should strike “what.” On the November minutes on page 8, the last paragraph should read “new urban town” instead of “newer mentality.”

On MOTION by Mr. McCollum, seconded by Mr. Akey, with all in favor, unanimous approval was given to the minutes, as amended.

On MOTION by Mr. McCollum, seconded by Mr. Carlson, with all in favor, unanimous approval was given to the invoices and check register.

EIGHTH ORDER OF BUSINESS

Action Items for Board Approval

A. Arbitrage Rebate Calculations

Mr. Moyer stated this is nothing more than to enter into the public record the results of the work that Berger Toombs et al. provided on the District’s behalf, to review whether or not the District had any arbitrage liability associated with the 2002A/B bonds and the 2005 bonds. We have discussed this for other bond issues, but for the benefit of the public, this is a requirement that came about as a result of the 1986 Tax Reform Act, in which the government said that municipal issuers of tax-exempt debt need to periodically determine whether or not we are earning more interest on our investments than we are paying to the bondholders. If we are making positive arbitrage, then every five years we have to remit that to the Federal Treasury. We have to make these calculations even though in this interest rate environment, it seems strange since the investment rates and yields are so low. Berger Toombs et al. took a look at all of our investments and concluded in both cases that we have no arbitrage rebate liability. It is essentially a mathematical exercise.

On MOTION by Mr. Akey, seconded by Mr. Carlson, with all in favor, unanimous approval was given to the arbitrage rebate calculations.

B. Request from Celebration Sanitation Services for Unrestricted Movement in the Alleys

Mr. Akey stated I talked with Mr. Ken Lee, who submitted this letter, and we had some informal discussions. My recommendation was that he send a letter for us to include in the agenda for the Board to consider. At that point, it is no longer informal but

documented. As Mr. Smith is aware, some of the alleys are very small for these large trucks. On some of the alleys, which I discussed with Mr. Moyer, there are no One Way signs. What I suggested to Mr. Lee is to send his request in writing to communicate with the Board, that for some of these locations, he is forced to go the wrong way even though there is a sign. There are not many of them. There are a couple by Verandah Place and a couple in North Village.

Mr. Sunnarborg stated the first thing that came to my mind is they are CDD alleys. But I do not know if we have the authority to give one citizen the opportunity to break the law. I am glad that he made this request. I would like to engage with him as to where the trouble spots are for him, and perhaps we can do something with signage or allow two-way access or have a wider turning radius. To just say the garbage truck can go the wrong way when no one else can leaves us open to some liability problems.

Mr. Akey stated we can have Mr. Moyer reply to him and ask him to put a list together of specific locations where he is having trouble. I do not think there are many locations. Some of the alleys do not have One Way signs now, so he can go either way.

Mr. McCollum stated my question is how we got to some of them having One Way signs and others not having them. Was it a safety concern?

Mr. Moyer stated years ago, there were several requests from residents who felt that two-way traffic in those alleys was unsafe. They petitioned the Board and got their neighbors to similarly agree. The Board came up with a policy that if there is sufficient resident support, we would make these alleys one way.

Mr. Sunnarborg stated that happened pretty early in the community's development. As the development grew to the south, the developer just made some alleys one way from the beginning, before there was any sort of petition from the residents.

Mr. Moyer stated that is correct.

Mr. Carlson stated I think the solution Mr. Sunnarborg suggested is appropriate, that he defines the trouble spots and see if there is something we can do in those areas to alleviate the problem.

Mr. Sunnarborg stated I appreciate Mr. Lee asking, and I do not want to say that we voted and the answer is no to his request. I think the answer is no but we would like to keep working with him.

C. Engineering Proposal from Hanson Walter & Associates for Alley Resurfacing Projects (*Charleston Place, Roseville Corner, East Village 1 and 2*)

Mr. Vincutonis stated this is a proposal for preparing the plans and doing the full-time inspections for the next phases of alley paving. It is setup on the same basis as past alley project proposals. The fees are based on the same percentage as past phases of alley resurfacing, and I doubt the costs will be that high unless we have a contractor who takes a long time to complete the project.

Mr. Moyer stated the Board will be discussing awarding the proposals next. I presume most of the work included in this proposal for engineering services has already been performed.

Mr. Vincutonis stated some has been, which is the inspection work. The bulk of work has not been performed, but we have started to prepare our plans. We have completed a small percentage of the total.

Mr. Moyer stated what the contractors are proposing at this time is nothing more than the number of square yards of milling and resurfacing. The engineer will then analyze the alleys and then determine the need to either enhance or lower drains or whatever is necessary, but at the end of the day, it is milling and resurfacing.

Mr. Vincutonis stated yes. Once we have that plan, all of the contractors are familiar with the phases that we are looking at. We had some general plans but not specific plans, where we will identify locations that have standing water. I do not think the price will change very much unless we found a lot of huge problems. All the contractors are familiar with the work and have worked here before.

Mr. Moyer stated I am trying to determine if your fees will more than likely be a lot less than these proposed amounts, based on time and material.

Mr. Vincutonis stated I do not think the fees will get that high. If Middlesex is awarded the project and gets it complete within 30 days, our fees will probably be half the amount proposed. I included numbers for a 60-day inspection since it is hard to estimate how long the project will take.

Mr. Carlson made a MOTION to accept the proposal from Hanson Walter & Associates for engineering work related to the alley resurfacing projects, in an amount not to exceed \$49,000.

Mr. McCollum seconded the motion.

Mr. McCollum stated as we have discussed in past proposals, I would ask Mr. Vincutonis to define normal business hours and overtime.

Mr. Vincutonis stated for the most part, we never charge for overtime.

Mr. McCollum asked can we strike that portion that refers to overtime?

Mr. Vincutonis stated yes.

Mr. Akey asked does this include Mr. Vincutonis being onsite while they are performing the milling and cleanup at the end of the day? Will you supervise that work?

Mr. Vincutonis stated yes.

Mr. Akey asked we should not need Mr. Smith's staff there?

Mr. Smith stated my staff is there because we perform a lot of the preparation work: curbs, inlets, cutting driveways, cleaning up alleys, moving plants. We also provide all the information to the home owners regarding the alley closings and putting up the signs. We work very closely with Hanson Walter on this project. They are primarily counting loads and making sure how much asphalt they are actually using, making sure the engineering of the laying of the asphalt is being done correctly. My staff does not have the expertise of watching the contractor laying the asphalt, but we do all the preliminary work. We will still be out there quite a bit.

Mr. Akey stated the punch list for South Village still needs to be resolved.

Mr. Vincutonis stated that work is part of this next proposal.

Mr. Akey stated eventually we will get to the point where the alleys are all complete and there is not another contractor coming in. So the punch list cannot go to the next contractor again for the next event.

Mr. Vincutonis stated we would have resolved it, had we not had this opportunity to include it in the next phase of resurfacing.

<p>Mr. Carlson amended the above MOTION to delete the hourly charges for overtime from the proposal. Mr. McCollum seconded the amendment.</p>

<p>Upon VOICE VOTE, with all in favor, unanimous approval was given to the proposal from Hanson Walter & Associates.</p>
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D. Contractor Proposals for the Alley Resurfacing Projects

Mr. Vincutonis stated we received proposals from four contractors, who are people we solicited bids from previously. I asked for a base bid and a base bid plus alternate.

The base bid is the repair in South Village, Charleston Place and Roseville Corner. The alternate is adding East Village 1 and 2 to the project. I provided a detailed bid form tabulation for the contractors to complete. Three filled it out and came up with their price that way. Middlesex used their traditional method. Middlesex indicated they are ready to go in February if we want to move that quickly. Mr. Moyer mentioned if we want to do the base bid plus the alternate, it will be over the \$250,000 bidding threshold, where we would have to go out for formal bids, which would add some time and some costs. The Board can direct if you want to go that route or just perform the work included in the base bid at this point.

Mr. Sunnarborg asked this was not a competitive bid?

Mr. Vincutonis stated that is correct; it was not a formal bid.

Mr. Sunnarborg asked how would you characterize it?

Mr. Vincutonis stated a bid solicitation/proposal solicitation. Once we received these prices, we said that we were happy with them and we could enter into a contract with them like we have in the past. We establish a formal contract with them and use their proposal as an exhibit to the contract.

Mr. Carlson asked would the bid amounts change from what they already proposed?

Mr. Vincutonis stated no, they should not.

Mr. Moyer stated we anticipated that the dollar amounts would come close to the bid threshold, so this is a little higher than what we originally thought. It is over the bidding threshold. To be safe and to stay within the confines of the law, I think we put it out for bid if the Board is of a mind to do all these alleys as one package. I think we have time to advertise and do it properly.

Mr. Sunnarborg stated that is my recommendation.

Mr. Akey asked is it also Mr. Moyer's recommendation?

Mr. Moyer stated yes, I cannot think of any way around it. The law is clear; you cannot award the base bid, knowing that your alternate will push you over the threshold. If you went over the bidding threshold and it was totally unanticipated, that is fine. If we ran into a situation out in the field that ran us over the \$250,000, that is not a problem.

Mr. Akey stated I agree.

Mr. Sunnarborg asked how long will it take to receive bids?

Mr. Vincutonis stated I am not sure if we can receive bids by the January meeting, but we can by the February meeting. We should be able to have a bid opening prior to the February meeting.

Mr. Sunnarborg stated the likelihood that the economy will change substantially in the next 60 days is unfortunately low.

Mr. McCollum stated I would like to solicit bids for all the areas.

Mr. Carlson stated I agree.

Mr. Akey stated yes, I agree.

Mr. Sunnarborg stated the consensus of the Board is to have these alleys bid as one package as soon as possible. Is the work to prepare that bid included in the proposal we just approved for Hanson Walter?

Mr. Vincutonis stated yes.

E. Use Application from Evolve Bicycles

Mr. Sunnarborg stated this is a follow up to our conversation at the last meeting.

Mr. Smith stated we met with Mr. Brown on a couple occasions and gave him the concerns that the Board had, particularly the speed around the back of the lake, going across the boardwalks, having them self-propelled across the boardwalks, and so forth. I said that will not work on most of our long boardwalks. We do not even want them riding bicycles on these boardwalks particularly. He created a map showing some of the bicycle and walking trails. When they get to a boardwalk, they dismount the bicycles and walk across the boardwalks. Where the low speeds are, such as behind Town Center Lake, that is also for pedaling only. The long bicycle trails along Celebration Boulevard and Celebration Place as well as streets are where they can use the self-propelled bicycles.

Mr. Akey asked how many miles can they use the self-propelled feature? A couple miles?

Mr. Smith stated from Water Tower Place to Golfpark Drive, then the bicycle trail to Sycamore Street looks like about two miles. There is another mile on Celebration Boulevard. There are streets through South Village, so it is probably four miles altogether.

Mr. Sunnarborg asked is there a term on this permit?

Mr. Moyer stated it is whatever the Board chooses.

Ms. Carpenter stated I want to be clear that when the bicycles are on bicycle paths that they will be human powered.

Mr. Smith stated that is correct.

Ms. Carpenter stated there is still that Statutory question where the Statute defines a bicycle as anything that is human powered. We have to allow them to be only human powered when they are on the CDD bicycle paths.

Mr. Smith stated there are sections on this route, including Celebration Place and Celebration Boulevard, where they will be on the trail system bicycle path, and they will be self-propelled. I am sure he is willing to change anything the Board asks him to change.

Mr. McCollum stated quite a bit of this route is on the sidewalks.

Mr. Brian Brown stated you are correct that the blue section is for electric assist, which is Celebration Place, Celebration Boulevard, and Waterside Drive on those sidewalks/bicycle paths.

Mr. Smith stated we had that conversation, and I indicated to Mr. Brown that there is a very good chance that the Board will require the bicycles be pedaled in those locations, and the only time they can use electric assist will be on the County roadways.

Ms. Carpenter stated I am concerned, given the way the Statute is written, that the Board really does not have the authority to allow electric bicycles on a sidewalk. The minutes from the last meeting include the language from the Statute, and it is pretty clear that you may not drive any vehicle other than by human power on a bicycle path or a sidewalk. I do not think the Board has the authority to allow electric bicycles unless you can provide an opinion saying these are not electric-assisted bicycles.

Mr. Akey stated I commented at the last meeting that I am very reluctant about having these on our paths. We have received a few letters from residents about bicycles going too fast. I think for three or four miles, we would be best served to avoid any issues at all and err on the side of safety.

Mr. Smith stated on the colored route map, all the blue areas would then be yellow. The only electric assist sections will be the green areas, which are on the roadways. We can revise the map to attach to their use application, and the Board can authorize a 90-day test period to make sure there are no issues.

Mr. Akey stated they will also be on County roadways.

Ms. Carpenter stated we do not have any authority over those roadways.

Mr. Smith stated they will be pedaling on the blue areas, which will be changed to yellow, and they will be on our trail system but pedaling rather than electric assist.

Mr. Akey asked is Ms. Carpenter comfortable with that?

Ms. Carpenter stated the Statute reads that you may not drive a vehicle other than by human power. As long as they are pedaling, it is permissible under the Statute.

Mr. Brown asked may I also provide you with an opinion if I can find one regarding the attorney's statement about a human-powered bicycle only?

Ms. Carpenter stated it would need to be an opinion from the Attorney General or at that level because segways are specifically allowed on sidewalks. There is no specific exemption for electric powered bicycles. We have to follow the law the way it is interpreted, and we have not found anything different. If you can find a differing opinion, the Board will certainly consider it.

Mr. Carlson asked how many bicycles per day will you be having?

Mr. Brown stated I discussed that with Mr. Smith, and it will be no more than 10, but more than likely five or six typically.

Mr. Carlson asked how many trips per day would be going this route?

Mr. Brown stated initially, just one.

Mr. Akey stated I am not in favor of approving this application. As Ms. Carpenter pointed out, I am very skeptical.

<p>Mr. Akey made a MOTION to deny the use application from Evolve Bicycles. Mr. McCollum seconded the motion.</p>

Mr. Carlson asked does that mean if the application is denied, are they still free to use the roadways but not the sidewalks?

Mr. Akey stated we, as a Board, cannot make any comment about that.

Mr. Carlson stated that is why I am asking the question.

Ms. Carpenter stated it rests with the County.

Mr. Carlson asked is it just the use of motorized vehicles on our sidewalks that we are objecting to?

Ms. Carpenter stated yes.

Mr. Brown asked if the application is denied and we do decide to go forward, which I am not saying we will or not, using only human-powered bicycles, is that the decision

being made by the Board or will I need to come back to you with a revised route indicating human-powered bicycles only on sidewalks?

Mr. Sunnarborg stated the motion is for denial. I personally would be amenable to a revised proposal or a revised motion offering a 90-day trial and modify it so that there would be no electric assist on the sidewalks, period, and just use pedaling on the sidewalks and streets.

Mr. Akey stated they are permitted to ride bicycles on the sidewalks.

Mr. Smith stated when we refer to "sidewalks," they are the bicycle paths, not the concrete sidewalks. They are eight-foot-wide bicycle paths. There are no bicycles proposed to be on the five-foot sidewalks.

On MOTION by Mr. Akey, seconded by Mr. McCollum, with all in favor except Mr. Sunnarborg, approval was given to deny the use application from Evolve Bicycles.
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A Resident asked are maintenance vehicles exempt on the bicycle paths as motorized vehicles?

Mr. Sunnarborg stated that is a good question. It certainly happens.

Mr. Moyer stated they would be our contractors who are performing maintenance.

Mr. Akey stated they are power washing various areas and other repairs.

Mr. McCollum stated I received a complaint from a resident on Golfpark Drive regarding the golf course crews driving on them. That is a good point since it is not just the landscaping contractor.

Mr. Sunnarborg stated the utility company and meter readers are on the five-foot sidewalks. I do not know the answer, but thank you for raising that point.

Mr. Sunnarborg stated the use application from Evolve Bicycles has been denied, but you are welcome to continue to work with Mr. Smith to come up with a solution that might work. For now, the answer from the Board is no.

F. Authorization to Re-Deck the Floating Dock and Esplanade Ramp

Mr. Smith stated I provided a proposal to do #1 pressure-treated, 2x6 decking on the floating dock, the ramp, and the boardwalk at the esplanade. Albritton Williams has done a lot of boardwalk work and renovations for us. William Stone has also done quite a bit of work in Celebration. They are the ones who built the boardwalk that got burned down behind Spring Park Loop. Coquina Engineering Company is the company that built the

floating dock, the ramp and the boardwalk. They also built the long boardwalk that goes down to the high school. I am familiar with all three companies and am comfortable with them. Two proposals are fairly close. William Stone was a little high, but I am comfortable with either Albritton Williams or Coquina Engineering.

Mr. Sunnarborg asked do you believe you have apples-to-apples proposals?

Mr. Smith stated yes. It is pretty straight forward, #1 pressure-treated boards with stainless-steel screws. We actually looked at doing a synthetic board, but in talking with Coquina Engineering, who built it, they said it would need to be re-engineered and there would need to be additional supports put in, and the costs would increase quite a bit. What we have there has lasted us about 15 years.

Mr. Moyer stated I am glad you raised that issue because there will be people who will say we should have used composite material.

Mr. Smith stated we asked that question initially. The original design group said we do not want anything except #1 pressure-treated wood on these boardwalks, no synthetic material. That way, we will stay with the original design intent.

Mr. Carlson asked is there any real different in the two companies?

Mr. Smith stated no, Albritton Williams does a lot of work for Disney and they have done a lot of work for us over the years. Coquina Engineering has also done quite a bit of work for Disney. They built that long boardwalk and did a wonderful job.

Mr. Sunnarborg stated if both companies are the same, then there is no justification for accepting the higher proposal.

Mr. Carlson stated I agree.

<p>On MOTION by Mr. Carlson, seconded by Mr. Akey, with all in favor, unanimous approval was given to accept the proposal from Albritton Williams to re-deck the floating dock and esplanade ramp, in the amount of \$18,157.</p>

NINTH ORDER OF BUSINESS

Staff Reports

A. District Manager

i. 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.

Mr. Moyer stated as anticipated, at this time of year, we are just starting to receive our non-ad valorem assessments. Through November 30, 2011, we received \$178,000. I anticipate that by the meeting in January, that number will increase substantially. People are just now beginning to pay their real estate tax bills, which contain our assessments. There is nothing to highlight on the expenses, and we are under budget on all categories.

Mr. Akey stated on page 4 for Miscellaneous Contingency, last year's ending balance went over to Unassigned, Unreserved or Undesignated fund balance.

Mr. Moyer stated that is correct.

ii. Website Statistics

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

iii. FEMA Update

Mr. Moyer stated I signed this letter on the Board's behalf, which is for the appeal to FEMA. This is a necessary first step with FEMA for them to reconsider our claim for monies that we spent during the 2004 hurricanes. The people assisting us at FDEM (Florida Department of Emergency Management) are familiar with this, and they have been very helpful in structuring this letter and giving us advice on what they think will be in our interest to include.

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.

Mr. Smith stated I have an updated work schedule that I will distribute to the Board. We are complete in Celebration Village and in the downtown area. We have a couple trash cans to finish, but quite a bit of work has been done in Celebration Village. Now we are moving to West Village. They did the street signs and directional signs in Celebration Village fairly quickly, and they have already done the street lights in West Village and Lake Evalyn. Once we get into those areas, all we really need to do is the street signs and a few benches. Work will go faster in those two villages and then onto South Village because there is not as much to do as there is in Celebration Village, particularly around the lake and re-oiling all the teak benches.

Mr. Sunnarborg asked have you had conversations with representatives from ARC about the green color, the exact color green that we are painting with?

Mr. Smith stated no, but the color that we are using is the color that was provided to Pittsburgh Paints years ago. I have not talked with ARC about it.

Mr. Sunnarborg stated I am not suggesting that you change, but I will ask you to check in with CROA and ARC. There have been questions that we are not using the right green, and I would like to get that resolved.

Mr. Smith stated I will talk with them. The color went to the paint company, and they have us on file there. Perhaps those files got changed, but I will double check that.

Mr. Akey stated if you give that number to Porter Paints or anyone else, they will give you that same color.

Mr. Smith stated that is correct. We have been on file with them since the beginning of the project. It is just called Celebration Green.

Mr. Sunnarborg stated it may be that it is the same color but now ours looks fresh and looks so much different.

Mr. Smith stated it is also a different type of paint. Some are a two-part epoxy paint, and the one we are using is a more advanced, newer type of paint. The shades may not be the same because of that, but I will double check with everyone.

Mr. Akey stated the schedule last month indicated that you might be complete by the end of February.

Mr. Smith stated we will not be complete by the end of February, not all the way through the whole project.

Mr. Akey stated then it mentioned the end of April. Is some of this stretching to June and July?

Mr. Smith stated yes.

Mr. Akey asked might we want to look at some other options?

Mr. Smith stated these are all estimates.

Mr. Akey stated I understand that.

Mr. Sunnarborg stated some of the options we discussed were contracting some of this work to speed up the progress. Did you want to discuss that?

Mr. Akey stated yes.

Mr. Sunnarborg asked is there an opportunity to do that?

Mr. Smith stated yes. It gets quite a bit more expensive. We are already doing that with the street lights and those types of things. What happened to delay the schedule was

Celebration Village and the downtown area and trying to complete all the detail work. The teak benches take a long time since we have to pressure wash them, let them dry out for a day, and then brush on teak oil. It is a very laborious process for those benches. Those are now done. The signs do not take very long at all. By our meeting in February, if I cannot show that my staff is moving along a lot faster, then I will suggest where we can outsource some of this work. They did all the signs and everything along Celebration Boulevard in less than two weeks.

Mr. Akey asked is the scope of work painting the light fixtures, painting the poles, and painting the regulatory signs?

Mr. Smith stated yes.

Mr. Akey stated it is a pretty standard scope of work.

Mr. Smith stated that is correct.

Mr. Akey stated it is December. We can make this an item to discuss in March. At that meeting, if you have a good idea of the completion date and you are on schedule, that is fine. If not, then let us look at an option or at least have it available to discuss.

Mr. Smith stated I will bring proposals to do some of the work at the March meeting if we are behind schedule.

Mr. Akey stated that is fine. One thing we need to be a little careful of is that there are things that come up that your staff has to address and complete. I do not want to overburden them.

Mr. Smith stated that is correct. The sidewalks slowed us down last year because of the alley work since my staff did quite a bit of the curb repairs and that type of thing. I may have someone else do all that. I think it would have cost \$35,000 for Albritton Williams to do that in Celebration Village, where we did South Village for less than \$10,000 because all the District paid for was materials. Work progressed much faster in North Village than I expected.

Mr. Akey stated that is fine. I am fine with that approach, and I agree work was completed very quickly in North Village. In South Village, you will just have the regulatory signs.

Mr. Smith stated that is correct, and I think all the street light fixtures are already complete.

Mr. Akey stated at some point you will need to paint the yellow curbs by the fire hydrants.

Mr. Smith stated yes.

ii. Communication and Complaint Log

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

Mr. Akey stated last month in November, this log included the name and the phone number. This month it looks like we lost H and I.

Mr. Moyer stated that is just a formatting issue.

Mr. Akey stated I would like those included in future logs.

Mr. Moyer stated I will mention that to Ms. Tschinkel.

Mr. Akey stated on December 11, 2011, there were three street lights out on Waterside Drive. Those are not three tall poles but they are right near that intersection.

Mr. Smith stated it is a circuit issue.

Mr. Akey asked do we still have a circuit issue by the fire station for those four poles?

Mr. Smith stated it is a Progress Energy issue.

Mr. Akey stated I talked with Todd at Progress Energy, and he said if we do have something like that and have the work order number, we can provide it to him and he will chase it down and confirm if it is a circuit issue. They were not aware of those. There are two on Celebration Boulevard as you turn the corner, and they are all the high poles. Is the lift working to repair those high poles?

Mr. Smith stated yes.

Mr. Akey stated if you have the work order number, let me know. There are three out in a row near the fire station, so it is pretty dark on that corner.

Mr. Smith stated I will follow up with my electricians and will respond to you to let you know what is going on with those.

Mr. Akey asked can Ms. Tschinkel tally up all the total number of calls we received last year?

Mr. Moyer stated yes.

Mr. Akey stated I would like to know how many in each category, such as mosquitoes, street lights, the top five categories of complaints.

Mr. Sunnarborg stated that is a good idea.

Mr. Akey stated I would like to see a breakdown of these categories.

Mr. Sunnarborg stated I was doing that myself. More than half of these for this month are street lights.

Mr. Akey stated it was the same for last month. If she can do that for informational purposes, I just wonder how many calls we get in various categories.

iii. Osceola County Seminar

Mr. Akey asked did anyone attend this seminar on grass clippings?

Mr. Smith stated we sent that to our contractors. I have attended that seminar previously four or five times over the years. I was not able to attend this one, but I forwarded that information to our contractors.

Mr. Akey stated as I understand it, the County is going to pursue additional Ordinances about grass clippings. They are very serious about it. I recall about a year or two ago, Mr. Smith and Mr. Moore met about our street cleaning initiative, and we were going to look at how we can make it more effective.

Mr. Smith asked in terms of the leaves?

Mr. Akey stated yes. Did we change anything?

Mr. Smith stated Girard will clean up leaves more often. We have raked Water Street about three times. Every time there is an accumulation of leaves, Girard cleans them up, and they are also looking for the accumulations. If they are underneath a car and they are able to get to them, they are directed to go ahead and get them to reduce the accumulation of leaves. Previously, if a car was parked in the street, the street sweeper was not getting them and if there is an accumulation in front of a house, the home owner was not getting them. Our landscaper was also not getting them, which left a pile of leaves. I have directed Girard to pick them up when they see them.

Mr. Akey stated there is now a significant accumulation of leaves in the storm drains and some are full of leaves. In their scope, did we have this included or did we add it in to provide this type of service? If we did not add it in, we may want to do that, and we are getting to the point where we may want to increase their scope a little to include this. I know our street cleaning budget went from \$45,000 to \$27,000. The street cleaner cannot get them. The only effective way is for someone in a golf cart to manually remove them.

Mr. Smith stated we can discuss that during their report, but that was a conversation I had with Mr. Fred Dorsey, particularly in front of Carlyle and trying to get those parking bays cleaned up. They have done a pretty good job of keeping those clean.

Mr. Sunnarborg stated I agree with Mr. Akey. A couple years ago when this issue came up, we made the connection with grass clippings and leaves getting into our storm drains, leading to our water quality problems. Because we are responsible for water quality, that is the primary reason we did street cleaning in the first place, not for aesthetics or the cleanliness of the community. We have not been relieved of that responsibility, so we need to continue our efforts. If it is more effective having the landscape contractor get them with a smaller machine, we should look into that.

Mr. Akey asked would you be comfortable if I discussed this with Mr. Smith and came back with a proposal for next month's meeting?

Mr. McCollum stated yes.

Mr. Sunnarborg stated it sounds like you are already doing that, so please proceed.

Mr. Akey stated we can look at some of the streets and take some pictures to see what kind of condition they are in.

iv. Traffic Control Devices

Mr. Akey stated last month we approved purchasing two of these.

Mr. Smith stated we ordered them and have not received them yet.

Mr. Akey stated we also discussed the one by this building that is basically not functional. It is still relatively not functional. Are we going to leave it that way? Or should we try to do something with it to make it functional, perhaps position it differently?

Mr. Sunnarborg asked is it the angle?

Mr. Smith stated yes because it is on a curve. It does work. Sometimes it misreads, but it gets the attention of the person driving. This intersection is where we want the protection, across this crosswalk. Even if it is not reading correctly, it still slows down traffic.

Mr. Sunnarborg asked would it help to bring it down more to the straight away?

Mr. Smith stated we can try to adjust it and see what we can do.

Mr. Akey stated the sign does not record the speed for nine out of ten vehicles. I talked with Mr. Joe Bitar from the County, and he is willing to come out and test it and drive a few vehicles through.

Mr. Sunnarborg asked would it help to move it more from the curve to the straight away?

Mr. Smith stated yes.

Mr. Sunnarborg stated there would still be room before this intersection.

Mr. Smith stated I just did not want to put it right in front of this building.

Mr. Akey stated let us try to drive seven or eight cars through it and see how many it records.

Mr. Smith stated we did that originally, and that was not the original location. We put it across the street. Someone wanted us to move it up farther, but I think we should move it back to the other pedestal and see how it does. Once people get to the crosswalk, it is just past the crosswalk and it will still be recording their speed on this straight away coming in front of this building, but it will not be in front of this building or on the curve. I can do that and see if it works.

Mr. Akey stated let us setup something with Mr. Bitar and the traffic engineer and take a look at them.

v. Use Applications from CROA

Mr. Akey stated I would like a list of use applications from CROA for their events that they are planning for 2012.

Mr. Moyer stated I will ask them for that list. I do not believe there are many because I have not seen very many.

Mr. Akey stated they have the yard sales and the Rotary pancake breakfast.

vi. Progress Energy Electrical Boxes

Mr. McCollum asked have we made any progress on getting the electrical boxes painted?

Mr. Smith stated we are going to paint them as we go through each community.

Mr. McCollum asked will that show up on your work log?

Mr. Smith stated yes.

vii. Radar Speed Log

Mr. McCollum stated we discussed a month or two ago about a radar speed log that you were going to download.

Mr. Smith stated I will meet with Mr. Bitar, who was trying to get those downloaded. I met with him out here and he was going to come out and try something different.

Mr. Akey stated two of those signs are the County's signs and two are ours. I wonder if we should give ours to the County and let them calibrate them all.

viii. Tom MacCubbin

Mr. McCollum stated we discussed asking Mr. Tom MacCubbin if he would come out here on a quarterly basis, which should be right about now.

Mr. Smith stated I was going to wait until after the holidays, in January or February. That is a good time to come because all of the leaves have dropped and it is the middle of winter.

C. Major Contractors – Girard Environmental

Mr. Cleaves stated Mr. James Smith will be Mr. Dorsey's replacement and he has been on property just over three months. He fits in well and is doing a great job from our perspective. I wanted to officially introduce him to the Board and the community tonight. Mr. J. Smith has been with Girard in the past so he is not new to the company. We were looking for the right combination for Celebration, and he is a great people person. He works closely with Ms. Tschinkel on a daily basis as well as Mr. Smith's staff. Everything is back on track and looking good.

Mr. Cleaves stated many of our staff attended the County's seminar on grass clippings in the past, but we used this opportunity as a refresher and actually sent the mowing crew foreman to the seminar, as well. We want to make sure everyone from our side is involved with this issue. We have also done a lot of soil sampling in moving toward that green appearance with phosphorus. It is something we are faced with, not only here but all around the State of Florida. We talked about using some special blends and slow releases in our granular fertilizer blends. The product we are using, which we applied about two months ago, is a polyon, which is a heat, not a water product. When the soil temperatures are higher, which they are now because we have not had the cool temperatures yet, that is when the product releases. It is probably a five-month blend. When the soil temperatures are up and the conditions are right for the turf to grow, there is food for them. Normal rainfall and other moisture as well as irrigation do not affect this product. We are doing more on our side to keep the products there and to keep the food there so it is most effective. Mr. J. Smith has worked with the crews and finished up the palm trees last week to get ready for the holidays. We worked on getting the last rotation of pine straw downtown so that it is all dressed up. From our perspective, everything has been going very well. I go through the entire community about three times a week and I see Mr. B. Smith all the time, but everything looks really good. The weather has been working in our favor this year. Last year at this time, we were fighting freezes with the poinsettias and things of that nature. Mr. J. Smith has worked closely with the existing crews on property and things have been going well. In response to your earlier comments

about utility vehicles, we work with our crews non-stop on that issue. It is an ongoing issue, as well as the awareness of the surroundings.

Mr. Akey asked do you have a schedule for street tree trimming, especially the crepe myrtles?

Mr. B. Smith stated they will start trimming the crepe myrtles in February.

Mr. Akey asked so the schedule is in place?

Mr. Cleaves stated we work with Mr. B. Smith on that at his direction. Normally in a lot of areas, we are trimming crepe myrtles this time of year, but this year they still have a lot of leaves on them. Some people who pruned them a month ago are seeing new shoots on them. We will work closely with Mr. B. Smith and I think we got it down right last year, hopefully from a scope standpoint within the community, so this year we can just get in there and get the job done. I think what we did last year went well.

Mr. Akey stated last year went well. Mr. Dorsey was right on top of it. He did very well and I know his conversations with residents went very well.

Mr. Cleaves stated they saw the results this year from what we did last year in terms of new growth, and they were all spindly before with how they had been pruned previously. Now there are some nice, healthy trees. We also have less cleanup than we have had in the past.

Mr. Akey asked is Al still here on the weekends?

Mr. Cleaves stated yes.

Mr. Akey asked if he is out for an illness or some other reason, does he contact you?

Mr. J. Smith stated I already have a replacement lined up to cover for him. We have several people available to back him up.

Mr. Cleaves stated Mr. J. Smith has done a really good job since he has been here. Once he saw the complexities of dealing with the community, he has done a good job of cross training and continuing to cross train all our crews, so if we need them all to move off and work on policing the trash if someone does not come in one day, he has worked hard to see that someone else just jumps right in there.

Mr. Akey stated that is excellent.

Mr. Cleaves stated you will usually find them on Celebration Boulevard at 6:30 a.m. making the first run in that area.

Mr. J. Smith stated since I have been here, I have been looking at the hot spots for tree trimming and the areas the fire department has been communicating. By the first of the new year, I will have a complete schedule where we will be and what streets we are working on. On Fridays, I try to address home owner calls and other hot spots, but I will provide a schedule to Mr. B. Smith and provide him with copies for you Board members. That way you will know where we should be and if you have any comments, we can make changes to that schedule.

Mr. B. Smith stated he is going through the list of priorities as provided by the fire department, and that is what we are working on now.

Mr. Cleaves stated we have been able to stay on top of that and get ahead at this point.

Mr. B. Smith stated even Davey Tree is working on it, as well.

Mr. Akey stated I appreciate you working on the safety of driving the vehicles. There is a lot of traffic with bicycles and pedestrians. They have done an excellent job of turning off blowers every time I go by them. They are very attentive to it. Thank you for that.

Mr. Cleaves stated I keep track of where we progress in different areas. We come to these meetings once a quarter and in my view, we keep talking about things getting better and better. We are still learning a lot of the property. Mr. J. Smith has worked a lot with Mr. Russ Simmons on the irrigation and getting that dialed in. There are different soil conditions but we are working to keep that balanced out and keep the dollar weed down.

Mr. J. Smith stated you have to look every day to see what is going on with the irrigation.

Mr. Cleaves stated we have two full-time people on property and they are staying on schedule to review everything twice a month. We keep one person focused on nothing but checking every head. Another person takes care of repairs and things that might hold up the other person. That has been one key thing about keeping them moving and continually checking the water.

Mr. Akey stated I thought I saw something where Girard does other types of activities. Would you highlight some of those?

Mr. Cleaves stated Mr. Rick Girard and Mr. Randy Girard are also at tonight's meeting, and a lot of the services we provide go hand-in-hand with the other services we

provide on the property related to facility maintenance. Painting and electrical services, and we provide an extensive list of those types of activities which includes basically anything outside and inside the building. We have an individual with the company who has done that type of work for 25 years for high-end commercial properties. We have the experience, the contacts, and the vendors that are all set up and ready to go. If you need something done outside our normal landscape scope, we can take care of pretty much anything else on the property you may need. Curb repairs were mentioned earlier, and we also do that kind of work. Related to leaf removal, we are downtown and on Water Street three times a week to keep the accumulations in check. We do see a lot of that and we have gone to the next step to assist the community, especially with the sycamores and the elms. The oaks have not yet dropped their leaves, but it is coming. We purchased a large vacuum system that is a trailer that we pull behind a truck and can take it around the property to hot spots. If you would like us to add this service to other areas that we already maintain, this is something that we can explore. When the wind blows, depending on the direction determines who takes care of the leaves for that day. We need to take it to the next level to try to get rid of a lot of these leaves. Water Street and the esplanade areas are non-stop work for us right now, and there are still plenty more leaves that will fall. We will be working multiple properties around this area with our vacuum system, so if you would like to look at those other areas where we are utilizing this, I encourage that. I am happy to discuss what we can do to help you out. Our staff checks the downtown storm drains every other day. When those get clogged up, it backs up the whole system down to Water Street, which we learned last year the hard way. Mr. J. Smith has taken a proactive approach to that issue. There has been some correspondence with the Board about a potential increase or looking at other items that we submitted in writing to the Board. Mr. B. Smith and I have worked on this, as well as with Mr. Rick Girard and Mr. Randy Girard. We put a lot of time into it and we felt it best to discuss some of the things we have done. Looking at the specifics of the scope of services, we have done our best every day to improve and make sure we are doing everything we can. We enjoy Celebration. We made a commitment to Celebration to be part of the community, and that commitment still stands today. A lot of things have changed in our economy over the past several years since we have been here. Those are things we tried to bring to your attention. I would like to see where we can go in working with the Board to perhaps get

some assistance. Mr. B. Smith and I changed one area of the scope, and there are things that we find that two big components are policing and trash. The scope really calls for policing and emptying the trash a minimum of three times per week. We all know that it is a daily event, and we put a lot of extra effort toward that by adding an extra person to take care of that so that it is covered seven days a week. It is not just policing the property daily; it is policing the property two or three times each day, especially in the winter. That is an area we would like to discuss getting some assistance from you. One of the other areas that we listed in our request was tree trimming, which is just one of the services that also list “as directed by owner.” That is why we work very closely with Mr. B. Smith on an ongoing basis. We do a lot of work with the fire marshal, and when we started this project, there was a lot of trimming on the 4,000 trees that we are maintaining. There were some assumptions of how they were to be maintained. Because of the requirements of the fire marshal and the timeframe that the fire marshal wanted them to be done, some severe cuts had to be made for the trees going to the next stage. We have had to spend an enormous amount of additional labor and expense to achieve this. That is one of the issues we raised in our request. Over the past year, we have taken a diligent effort to make sure we are hitting these trees and making the impact. We still have a ways to go, but that is something we would like to discuss with the Board. Everything we deal with is fuel related, whether it is chemicals, fertilizer, gasoline and tires, everything we use on a daily basis. The cost of fuel has increased dramatically and it has affected a lot of our chemicals. The costs of our chemicals and fertilizers alone have increased 38%. The products we have used in the past that were successful have been replaced with new and improved products, which always cost more. We have done what we needed to do to maintain the integrity of Celebration, but there are some things that we would like to ask from the Board. We are here as part of an open dialogue to discuss it. The specifics that you need, including insurance and worker’s compensation, all these things have impacted us. It is no secret that Girard made a business decision to get involved with Celebration at the price we offered. We discussed this with the Board at that time and we told you exactly the reason why. There is not much margin in our price. As we have grown in this project, we are asking you to give some consideration for that.

Mr. Sunnarborg stated we have discussed your request at our last workshop. I will speak for myself and I think I represent the consensus of the Board. We felt like we had a

very detailed RFP that Mr. B. Smith and his staff did a great job on and it was competitively bid. It was a hard bid based on lump sum, not unit price. It was a rigorous process that Girard won, fair and square. If we changed the scope and there are legitimate changes that we can document, I do not think there was any opposition to us paying more for those things. Fair is fair. I think what the Board reacted to was an impression that the bid was low, you have spent more money and you need some help. Everyone thinks Girard is doing a terrific job. We would like you to be here and we would like you to be happy. We would like to have a cooperative relationship, and we would love it if you made money. At some point, if it is not a legitimate change that justifies the assistance, and if we were to grant that request, we would be doing a disservice to the other bidders who competed against you and lost on the basis of price. If we can give you that assistance through legitimate changes that are documented and approved, we are happy to do it. We should be doing that anyway. If it is beyond that, then I would say we should rebid the scope.

Mr. B. Smith stated in our scope, most of the specifications include the list of directives, followed by the statement “or as directed by Owner.” That gives us the ability to change some things, such as tree pruning. I think we need to look at “or as directed by Owner” and see what a reasonable direction is, and then we can scrub the scope that way. I told Mr. Cleaves he needs to have change orders for work that is outside the scope of services, and we will pay them more money for that. If you look at the scope, it says to prune a tree this way “or as directed by Owner.” I think that is what they are looking for, what is a reasonable definition of “or as directed by Owner.” I think we can provide that. Leaf removal is a change to their scope. Tree pruning up to 14 feet high when the scope indicates more or less tipping, cleaning it up and making it look nice is also something they wanted to discuss with the Board.

Mr. Cleaves stated we want to be here and continue to be here, and that is not the determining factor here. What we want is to get a dialogue going where we can work together better so that we do not have to ride on the edge all the time.

Mr. Akey stated Mr. Sunnarborg phrased our position very well. Mr. B. Smith made a good point about “or as directed by Owner.” If Mr. B. Smith says this is a busy time of year and we have more people here for events, which results in a lot more trash, and if Mr. B. Smith says he needs you to pick up trash three times a day, which is not

unreasonable and can happen, then you need to calculate that charge and bring it to the Board as a change order for us to consider and approve. The weekend person is here from 7:00 a.m. to 4:00 p.m., which I think is a change from our prior scope. That needs to be looked at. If we added that five or ten extra hours every weekend, you need to provide that information to Mr. B. Smith so he can provide us with a change order and we will pay you for the extra hours that we added. Everyone notices trash laying around, but not so much the trees that need trimming. As Mr. B. Smith provides extra direction to you that is above and beyond the reasonable scope of services, you should provide that additional cost for the Board to consider, and I think we will be fine with approving it.

Mr. Cleaves stated I will do that. We are trying to find a happy medium where we can make things happen and be very responsive, as well.

Mr. McCollum stated I would like you to be more proactive than reactive.

Mr. Cleaves stated trees are one of the biggest issues that we face. Sometimes little things get put aside because the fire marshal needs one roadway cleared out, and then we have to do a lot of work to get to that extra level.

Mr. Sunnarborg stated there is room for interpretation. Even with the quality of the bid documents that Mr. B. Smith put together, which I thought was terrific, there is still room for interpretation.

Mr. Cleaves stated we agree, and it might just be one or two words.

Mr. Sunnarborg stated my interpretation "or as directed by Owner" was in terms of aesthetics. Using the palm trees as an example, instead of 10:00 and 2:00, we want 3:00 and 9:00. That would not change the cost but is more a point of direction. To have the fire marshal come in and say instead of a 10-foot clearance, it needs to be 14 feet, that is a change to the scope. We will pay for that additional service.

Mr. Rick Girard stated I think Mr. Cleaves did a great job explaining our request, and it is really nice to hear all the things that we have done and are currently doing in Celebration. When we were awarded this bid, I indicated in those presentations that we took \$100,000 off the top just because we wanted this client. I would like to think we have done a great job performing. I think there was a lot of confusion during that process with the Board and with us as far as what is the value of this contract worth, compared to what you were paying before. There was a wide range of bids. I remember Mr. Sunnarborg making the comment about wanting to know what this is really worth. I think

we have determined that. We would like to get to that point at the end of this contract term, hopefully into the two-year renewal. The tree trimming is probably the biggest single item that has cost us a lot of money from what we proposed in our bid. It is more major tree trimming on all the street trees than just limbing them up. A lot of that work was already done, and I would like to determine if it needs to be done to that extent next year.

Mr. Cleaves stated once we get through it, then we are in a manageable situation.

Mr. Rick Girard stated we are taking 3- to 5-inch diameter limbs off trees, which is not normal trimming. The discussions I have had with Mr. Cleaves, I feel it is only fair that we get to go back and figure out how much time was really involved in all that tree trimming and propose that to Mr. B. Smith. If we did more than what the scope called for, then we should be compensated for it. We want to go through that exercise.

Mr. Sunnarborg stated I would encourage you to do that. It cannot be as elementary as what you spent versus what you bid and us owing the difference. It needs to identify what the scope called for versus what we asked you to do in addition to that and the value.

Mr. Rick Girard stated that is the feedback that we are looking for tonight. We know what you are looking for. We have time sheets and other backup material. We have a lot of documentation for that item. Trash collection is the other big item, but tree trimming was the biggest.

Mr. Cleaves stated there is also the issue of what the cost of fuel has done to us.

Mr. Rick Girard stated fuel, health insurance and all those things are increasing in cost, and I do not know how you handle that.

Mr. Sunnarborg stated I am not sure how we dealt with fuel in the original contract. Bring your request to Mr. B. Smith. There is not a big philosophical difference of opinion, but understand our position that we have to represent to our constituents that we made a good decision in the first place, and that we will continue to be good stewards of their money. Whether we feel it in our conscience or not, we have a responsibility to the three or four competitors who lost to not change the rules a year into the contract.

Mr. Rick Girard stated I understand completely.

Mr. B. Smith stated in my meetings with Mr. Cleaves, I indicated that we will scrub the scope of services and then show where they have gone over and above the original

written scope and compare that to the reasonableness of the statement “or as directed by Owner.” I will bring that to the Board on each of the issues that they raised, including leaf removal and trash removal. Trash removal is a big issue, and now the leaf removal is a big issue, which is a bit beyond the original scope. Cutting the canna lilies is another issue, where they cut it twice this year but normally we do it only once. I would like to increase that item since it is outside the original scope. There are a few items we can address and get some change orders put together and provide them with backup at the next meeting.

Mr. Rick Girard stated they will be at the current price moving forward, and we will supply information on what we have already done.

Mr. B. Smith stated these will not be work authorizations; these will be changed service authorizations to the contract, which will change the dollar amount of the contract since it will be an ongoing activity that is increased for the scope of services.

Mr. Rick Girard stated I was referring to getting compensated for things we have already done that are above and beyond the scope.

Mr. B. Smith stated we will put that on a separate work authorization for approval.

Mr. McCollum stated I would like you to also reference the scope of work and the section number so that we can find it easily.

Mr. B. Smith stated we will include that in the backup material.

Ms. Carpenter stated Mr. Sunnarborg and Mr. B. Smith did a very good job in analyzing the legal responsibility to make sure that everything is outside the scope. Mr. B. Smith made a very good point by using the term “reasonable” and what anyone would consider as reasonable so that you are not faced with a challenge in the future if someone looks at what was approved from the original bids.

D. Attorney

Mr. McCollum asked has there been any progress on the easement with Carlyle?

Ms. Carpenter stated we have not received any more contact from them.

Mr. Akey stated then I say we close the issue.

Ms. Carpenter stated I will keep you apprised if we hear from them and we will see what it is that they want.

E. Engineer

There being nothing to report, the next item followed.

F. The Celebration Company's (TCC) Representative

i. Parcel C-12

Mr. Parker stated we closed on the piece of property known as the builder's compound, or Parcel C-12, sold to Florida Hospital. They will be constructing a day care/educational type campus, and there will be a medical office included in that campus. They are moving very quickly with their design process.

ii. Lynx Bus Shelters

Mr. Parker stated the shelters are all installed. They are not 100% complete; there is some punch list items to complete, but for all intents and purposes, they are there, they are functional, and they are operating. The sidewalk extension to U.S. 192 along Celebration Place from 215 Celebration Place has also been installed.

iii. Century Link Fiber Optic Cable

Mr. Parker stated this was a very quick project that came up in Enterprise CDD. The conduit has all been installed, but the cable itself is not fully installed. There is really not a lot of disruption that comes with that aspect. It was a minimally invasive project that lasted about two weeks, and they wrapped it up fairly quickly.

iv. Celebration Community Church

Mr. Parker stated the church has been completed and I believe they have had two or three services since our last meeting.

v. Cell Phone Tower License Agreement

Mr. Parker stated I received a note from our attorney today that Verizon has provided us with their final comments. He has reviewed it and he thinks we are 100% finalized, so it is now a matter of getting it executed. Hopefully that will have taken place by the next meeting. I promised Mr. Akey and Mr. Richard Joossens that once it is executed, we will ask Verizon to provide a schedule.

G. Celebration Joint Committee (CJC) Representative

Mr. Akey stated I attended their last meeting, and I met the people on the Board. The only item that came up was the pond by the daycare in North Village, which belongs to the daycare. If they send us a courtesy letter and asked us to maintain the pond, I said the CDD Board would consider it, but they never acted on it.

Mr. Sunnarborg asked is the fact that the daycare owns that pond a unique situation in Celebration?

Mr. Akey stated yes. I discussed this with Mr. Smith and we are maintaining 10 other ponds, but we just need a written request from them.

Mr. Smith stated I received a price from our contractor to perform that maintenance.

Mr. Akey stated they have never taken that step. I advised the CJC that the CDD Board will consider it if the owner of the property would send us a letter, but we cannot get them to send the letter or even call us back.

Mr. Smith stated I have met with her on site a couple times.

Mr. Akey stated that was the extent of the CJC meeting.

Mr. Moyer stated if we do receive that letter, we also need a license agreement or an easement to go on that property.

H. Audit Committee

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

TENTH ORDER OF BUSINESS

Updates and Discussion Items

A. Maintenance Facility

Mr. McCollum stated I provided a memorandum for Mr. Moyer to distribute to staff and the Board members. I prepared this with Mr. Vincutonis's assistance to try to come up with the initial conceptual construction budget.

Mr. Akey stated I only received it this morning, so I have not reviewed it thoroughly.

Mr. Sunnarborg stated I would like to be able to take the next month to review and analyze this information so we can have a productive conversation next month.

Mr. Moyer stated the lease on Suites 130 and 140 come up for renewal on February 1, 2012. I have no problem extending that lease for a year, but I would hope whatever the Board decides on the maintenance facility will work within that timeframe. If we are going to construct a building, then let us proceed to build it and get it going.

Mr. McCollum stated the only other factor that affects our progress is the library. If that project drags for six months or longer, then we would not be able to commence with our work.

Mr. Moyer stated I signed the permits for the library, so they are moving ahead.

Mr. Sunnarborg asked do we have any information if the golf course is moving ahead with their facility?

Mr. Smith stated no.

Mr. McCollum asked what is the schedule for the library?

Mr. Smith stated they submitted a service application request for utilities, and they are doing their value engineering now because of some budget issues. The engineering side seems to be moving along on a normal pace toward construction.

Mr. Sunnarborg stated we will include this on next month's agenda as a discussion item.

Mr. Akey stated I might suggest having a workshop dedicated to discussing this item. We will have a pretty extensive discussion on this issue. I do not see us having time at the meeting next month to do that.

Mr. McCollum stated I agree. We have a lot of data to review, and then we can make a decision.

B. Celebration/Osceola County Liaison *(formerly Government Representative)*

Mr. Sunnarborg stated we discussed this briefly every month for maybe six months. My comment last month was something to the effect of, bring a proposal for us to consider or suggest a joint meeting with CROA to suggest or bring us something more concrete that we can act on or remove it from the agenda. To continue to have this agenda item with nothing to review is pointless. I suggest we remove this from the agenda unless there is something more concrete next month.

Mr. Akey stated I agree. When I saw the agenda item, I reviewed the minutes and noted that Mr. Moore and I were authorized to have a workshop with CROA, but that has not happened and there has been no action since then. Mr. Moore did provide us with some written material previously, but there was no cost analysis and nothing to vote on.

Mr. Sunnarborg stated Mr. Moore indicated that he just wanted to discuss this issue, but we have been talking about it for a long time.

Mr. Akey stated I do not want to add it to a workshop agenda again, either.

Mr. Sunnarborg stated there are some CROA members in the audience tonight. Is this an item that you are considering?

Mr. Joossens stated there seems to be no progress made so far.

Mr. Sunnarborg stated that is the same with the CDD. We are not opposed to it, but there is nothing to talk about until someone takes some initiative.

Mr. Akey stated until someone comes up with a proposal with some costs.

Mr. Bob Bisienere stated this is something that is very important to the town manager and something that is very important to Mr. Moore. We need to do some homework before we revisit it again. I want to make sure the CDD Board would be open to revisiting it again with better support material.

Mr. Sunnarborg stated I would certainly be open to that. When Mr. Moore first raised this issue, we discussed the rationale, and it makes a certain degree of sense but it is

complicated. To just talk about it repeatedly and express frustration over our organizational dysfunction is a conversation we have had too many times. Until there is a real break-through in how we govern ourselves, I do not know if this is the answer or not. I encourage Mr. Moore and CROA to bring us a specific proposal for us to debate and discuss. Having another complaint session is not a productive use of time.

Mr. Bisienere asked if Ms. Pat Wasson, the town manager, Mr. Moore from the CDD, myself, and Mr. Richard Joossens were to meet, are we violating any kind of Sunshine Laws?

Ms. Carpenter stated no, so long as two CDD Board members do not meet together, that is fine.

Mr. Sunnarborg stated if it makes sense to have more than one Board member, all we have to do is advertise the meeting as a workshop.

Mr. Bisienere asked which would you prefer? I am proposing Mr. Moore, Ms. Wasson and myself on our own to put something together.

Mr. Sunnarborg stated that is probably the most effective way to go. I do not mean to push this off on someone else, but this is a complicated issue. If we are going to do it, we need to know who is going to hold the contract, how does that person represent both Boards or perhaps all four Boards, what is their authority, are they negotiating or are they just taking notes. If someone can organize that information, describe it thoroughly, define how we are going to pay for it, and identify the protocols for how that person interacts with different Boards, then we can have a meaningful conversation.

Mr. Bisienere stated it is a complicated issue, but one that I think is worth pursuing.

Mr. Sunnarborg stated I agree. The “elephant in the room” is, is this a step back into the incorporation debate. That is when emotions get high and people start going into opposite corners. If we engage in this debate, my opinion is that is where we will end up.

Mr. Akey stated we discussed this at our October meeting and I thought we were fairly clear and fairly specific at that Board meeting. It is now December and nothing has taken place. I have expressed my opinion on this, and I have been very clear about it. There is no misunderstanding my position. I agree we definitely take it off the agenda.

Mr. Bisienere stated I understand, and I wish Mr. Moore was here to give us his opinion and provide an update. Quite honestly, as Mr. Joossens first reacted, we have not discussed it since September or October to my recollection.

Mr. Sunnarborg stated if it makes sense to rally both Boards in a joint workshop, we are happy to do that. There has not been one in a while and probably not one since you have been on the Board. No one is opposed to that, but we are all opposed to discussing it without a meaningful agenda.

ELEVENTH ORDER OF BUSINESS **Other Business and Supervisor Comments**

Mr. McCollum stated I was not here but I received several phone calls and emails about the December 10, 2011, concert downtown with trash and traffic. I did not see it firsthand and I do not know if anyone else received any feedback.

Mr. Akey stated the trash was quite substantial.

Mr. McCollum stated I am not sure who the event organizer was, but it comes back to the things we have discussed before.

Mr. Akey stated it affected all of downtown, Water Street and some of the side streets.

Mr. Sunnarborg stated the point is that when those events do not clean up after themselves, we do. We do it because we feel we need to, or else it ends up in our lake.

Mr. Akey stated it is a lot of extra work. A couple years ago, for Halloween when it was on a Friday or Saturday, we schedule extra people. I think we need to be extra cognizant when something is going on downtown. We have a lot of residents in these areas and if something happens on a Friday night, they have to look at that trash for two days. It gets pretty nasty with broken beer bottles, cups, glasses and other trash.

Mr. Sunnarborg stated one of our only leverage points is the approval of the application to use the esplanade. Perhaps we need to use that lever a little more than we have been.

Mr. McCollum asked was that a Lexin event or a CROA or town event?

Mr. Moyer stated I do not recall, but I will check. I suspect it was a Lexin event, but I will confirm that.

Mr. McCollum stated we could ask Mr. Michael Nunez to our workshop. I really want to focus on the maintenance facility, but perhaps we can take 20 minutes to discuss this with him.

Mr. Akey stated we can also schedule a separate workshop if he is not available. Even if only two or three Board members can attend, we can still have the discussion.

Mr. Akey asked is there an update on the CDD/CROA land swap?

Mr. Smith stated we will have that information for the next meeting. It is for the little parks and we are trying to straighten them out.

Mr. Akey stated the one at the very back of North Village by the pond, not Reserve Park, we own the pond and I thought it would make sense for the CDD to own that park area.

Mr. Moyer asked is the concern that there is not sufficient water in the pond?

Mr. Akey stated the water is always low, and it will be where it is. Mr. MacCubbin mentioned once that we might want to install some grass around it.

Mr. Smith stated we plan on doing it and that is on the list for Mr. Simmons to accomplish.

Mr. Sunnarborg stated Merry Christmas to everyone and Happy New Year.

TWELFTH ORDER OF BUSINESS

Adjournment

The next meeting is scheduled for Tuesday, January 17, 2012, at 6:30 p.m.

The meeting adjourned at 8:20 p.m.

Bruce Carlson, Secretary

Tom Sunnarborg, Chairman