

MINUTES OF MEETING

CELEBRATION COMMUNITY DEVELOPMENT DISTRICT

The workshop of the Board of Supervisors of the Celebration Community Development District was held Friday, January 21, 2005, at 8:30 a.m. in Heritage Hall, 951 Spring Park Street, Celebration, FL.

Present and constituting a quorum were:

Richard Quinn	Chairman
Peter Crow	Vice Chairman
Steve Katz	Secretary

Also present were:

Gary Moyer	Manager: Severn Trent Environmental Services
Thomas Tukdarian	Manager: Severn Trent Environmental Services
Ariel Lovera	District Manager's Office
Brian Smith	District Manager's Office
Gillian Walker	District Manager's Office
Matt Forbes	Walt Disney Imagineering
William Gardner	St. Joe
Jerry Newland	St. Joe
Tom Murphy	Davey Tree
John Petrusky	Resident of 1060 Nash Drive
John S. Gebhardt	Resident of 509 Longmeadow Street
Tom and Sara Froehle	Resident of 510 Longmeadow Street
Mike Peck	Resident of 501 Longmeadow Street
Katie Guidiee	Resident of 712 Golfpark Drive
Cliff Akey	Resident of 1120 Rush Street
Kathleen O'Leary	Resident of 506 Longmeadow Street
Alan Raymond	310 Reeves Street

Introduction

Mr. Quinn called the meeting to order. He stated the purpose of the meeting is to gather information; therefore no action would be taken. He asked everyone to limit their comments to three minutes to give everyone an opportunity to be heard.

Tree Replacement Update

Mr. Quinn asked if the tree list includes all of the trees that need replaced. Mr. Smith said the list includes only street trees, i.e. sidewalk and curb trees.

Mr. Quinn requested staff remove any ECDD trees from the final tree replacement list presented to the board for review and/or approval. He also requested staff remove any trees that are not in developed areas within the district, particularly any trees beyond the retention pond at Siena Apartments. In addition, he requested Davey Tree only consider planting trees that are recommended by the state. He noted that the list includes many species of trees that have been determined to have more than a 90 percent mortality rate in high wind conditions. Therefore, he requested the removal of those trees from the replacement list, particularly the sweet gums, laurel oaks and drake elms. Finally, he noted the tree proposal suggests replacing the destroyed trees with trees of comparable size. He suggested staff consider whether the size choices will promote optimum growth.

Mr. Katz said the trees were paid for and are owned by the Celebration residents, not the CDD. Therefore, the CCDD should provide its purchasing power and planting services, and the residents should pay solely for the cost of the tree. In addition, he said the residents should choose what type and size tree they would like to replant.

Mr. John Petrusky, resident of 1060 Nash Drive, asked if the district has a time requirement for hurricanes repairs. Mr. Moyer and Mr. Katz said no.

Mr. Cliff Akey, resident of 1120 Rush Street, asked when the remaining damaged and/or hanging trees would be cleared or righted, adding he was concerned about a particular near Lake Evalyn. Mr. Smith said any tree that posed a hazard has been righted or cleared. He said he was aware of the tree Mr. Akey referenced and others like it. He explained those trees must establish a sound root structure before being righted because if a tree is righted before a sound root structure is established, it may ultimately kill the tree. He said to avoid additional costs, Davey Tree has been righting the trees as part of the normal maintenance process, rather than making a special effort to do so. Mr. Crow requested staff re-examine the tree Mr. Akey referenced, and Mr. Smith agreed to do so.

Mr. John Gebhardt, resident of 509 Longmeadow Street, stated he represented the views of the Longmeadow residents who could not attend the workshop. He explained the Longmeadow residents met to discuss this matter prior to this meeting. He requested the board establish a comprehensive plan to address tree replacement in a timely fashion and clearly communicate that plan to the individual residents affected by the plan. Further, he responded to Mr. Katz's previous comment regarding the legal ownership of the trees. He

said five months after the hurricane is too late for the CCDD to claim the trees are owned by the residents. Mr. Quinn asked if the Longmeadow residents feel the area is over-treed, creating a particularly dangerous environment susceptible to damage from high winds. He requested the Longmeadow residents create a list stating how many trees they want replaced. Mr. Gebhardt said most residents who had two trees in front of their homes are happy with that number, while those who had three trees feel some trees are not necessary.

Mr. Gebhardt said about 34 of CCDD's trees were lost during the hurricanes. Mr. Katz said the trees are not the CCDD's; they are the owned by the property owner. Mr. Gebhardt said the residents were told they are not allowed to trim or change the trees in anyway because they were owned by the district. Mr. Katz said he was told that because the developer took on more control than they were allowed to take on. He added it is the responsibility of the homeowner to mulch and maintain the trees, clear the side walk and maintain the landscaping. Mr. Gebhardt stated the residents have been misled for five months, if that is the official standpoint of the district. Mr. Katz replied the trees were financed by the residents, therefore the residents own the trees. However, he said the CCDD would be willing to provide their purchasing power and labor to aid in the tree replacements. Mr. Quinn said he feels the board must share the responsibility for the tree replacements with the homeowners, regardless of whether the CCDD has a legal obligation to do so.

Mr. Mike Peck, resident of 501 Longmeadow, said he was told he did not own the property between the sidewalk and the curb when he attempted to re-landscape that area. He asked whether he is able to replace the trees in that area with any approved tree he would like. Mr. Katz said because CROA regulates landscaping within the community, if CROA approves the tree, he is able to plant it.

Mr. Paul Collins, resident of 508 Longmeadow, stated if the responsibility was placed on the homeowners, he is concerned some homeowners will choose to not replace their trees or plant trees that are not aesthetically pleasing to the community. Mr. Quinn said it is CROA's responsibility to maintain the aesthetic standards of the community. Mr. Collins asked how one would make a homeowner replace a tree, if he chose to not do so. Mr. Quinn said he thinks CROA already has a system in place to enforce their landscaping standards. Mr. Moyer said if there was a desire to maintain landscaping uniformity, the district could choose

to only aid in the replacement of particular trees, thus providing an incentive for the residents to conform to the landscaping standards.

Mr. Quinn said he feels it is economically important for the CCDD to oversee the process, despite who pays for the tree. Mr. Katz added there are a lot of other costs associated with the replacement of a tree beyond the cost of the tree itself and the district would be willing to pay those costs, if the homeowners paid for the tree. Mr. Quinn requested Davey Tree breakdown the costs of the tree replacement proposal. Mr. Crow asked what the optimal time is for planting trees. Mr. Murphy said it varies depending on the species of tree; however he said he would not recommend planting a tree any later than the middle of March, due to weather conditions.

A resident asked the board to consider that Longmeadow is an important street to the Celebration community because it is used as a selling point and a visitor attraction. Mr. Alan Raymond, resident of 310 Reeves Street, said he feels the responsibility of the tree replacement should be that of the homeowner. Mr. Akey asked whether any CCDD tree replacement plan would be applied universally to the entire community. Mr. Quinn and Mr. Katz said it would. A resident asked if the CCDD will work with CROA regarding this matter. Mr. Smith said has and will continue to communicate with CROA.

Mr. Crow asked why these costs are not covered by insurance. Mr. Moyer said insurance companies will not cover landscaping because of the exposure. Mr. Crow asked what the term "200 gallon" means. Mr. Murphy explained it refers to the caliber of the tree, considering the diameter of the trunk and height of the tree.

Mr. Crow requested the other board members restate their position as a means to establishing a clear sense of the overall board opinion. Mr. Quinn said there are two components to the cost of the tree replacements; one is the cost of the tree and the other is the cost of planting the tree. He said, although legally that cost falls on the homeowner, he suggests the district and the homeowner share those costs. He said the district should pay for the cost of planting the trees. However, he feels the homeowner should pay for either the cost of the tree or the difference between the cost of the tree the homeowner wants to plant and the cost of the tree that was originally planted. Mr. Katz said because the homeowners own the trees, the homeowners should buy the trees, with CROA's approval. However, he said the CCDD should contribute the service of transporting and planting the tree. Mr. Katz added he

feels it is important to communicate with CROA before the board comes to a decision. Mr. Quinn said the board will not be ready to vote on this matter by the January 27, 2005 meeting. He added the earliest the board would come to a vote on this matter would be the February board meeting. Mr. Katz and Mr. Crow agreed.

Mr. Quinn apologized for tabling the tree replacement issue at the December board meeting, noting the board needed more time to review the issues. Mr. Crow said he is sympathetic to the residents' concerns regarding the timeliness of the issue. He explained that although the hurricanes occurred in August, the current board members have only resided on the board since November.

Mr. Katz excused himself from the meeting, due to a prior obligation.

Alley Audit and Proposed Maintenance/Repair Timeline

Mr. Quinn said all of the roads within Celebration are or will be turned over to the county, although all of the alleys will remain under the ownership of the CCDD. He said the sewers are dysfunctional because they are about three inches above the street and explained that repair of the sewers is in the current fiscal year budget. Mr. Smith said he would like to send the RFQs for the repair on February 2, 2005, after the district engineer performs an additional audit to determine which sewers need milled and overlaid and which sewers need seal coated. He said the two processes will be advertised as separate RFQs. He said the budget for the milling and overlaying is \$120,000, while the budget for patching and seal coating is \$30,000. Upon Mr. Quinn's inquiry, Mr. Smith explained the process of milling, overlaying, patching and seal coating. Mr. Smith said he will notify the homeowners of this work through three different methods—a letter, a door hanger and a sign on the corner of the alley. Mr. Moyer said the repairs will start with Celebration Village and will proceed annually through the other villages in the order in which they were constructed; therefore, the process will take four to five years. Mr. Crow asked how long the repairs will last before additional repairs are needed. Mr. Moyer said the repairs should last eight to nine years. Mr. Quinn said properly installed and maintained asphalt has a 10-15 year wear life, while poorly maintained asphalt may last as little as six years.

Mr. Quinn said he thought because the construction crews damaged a significant number of alleyways, the builders were obligated to do the repairs. Mr. Smith said continual repairs

are performed on the alleyways. Mr. Quinn requested staff investigate whether any alley damages were caused during the construction process and hold the builder liable for the damages they caused. Mr. Crow asked if the district is out of warranty, and Mr. Moyer said yes. Mr. Quinn stated he does not feel that is relevant if the process was not done effectively and correctly. Mr. Crow asked what recourse the district would have. Mr. Moyer said it would be difficult to assess who caused the damage. He said if an engineer can determine it was not done correctly, the district can write a letter demanding the builder to pay the restoration cost, noting the only way to enforce that would be litigation. Mr. Crow asked if there are any such instances. Mr. Quinn said it appears that all sewers in South Village have similar problems. Mr. Smith replied some of the problems were caused by the sinking of the asphalt around the drains, adding that he will look into identifying any problems that can be associated with the construction. Mr. Moyer clarified that the problem is related to the alley builders, not the homebuilders. Mr. Smith said the damages caused by the homebuilders have been repaired. Mr. Quinn said he is concerned with the areas where it is clear damage was caused during the road construction. He added the district should make sure the responsible party pays for those damages, even if that must be done through litigation.

A resident asked if the alley was constructed for residential or commercial use. Mr. Forbes said the alleys were designed for typical residential activities. He added they were not designed to withstand heavy abuse, such as prolonged exposure to the weight of a concrete truck.

Mr. Crow asked if the alley repair matter needed approved at sometime. Mr. Smith said the RFQs will be brought before the board for approval, once they have been received. Mr. Moyer said it will be on the February agenda. Mr. Crow asked how long it will take for the work to be completed. Mr. Smith said it will take most of March, depending on the amount of work and the availability of the contractor.

Process for Changing the Speed Limit on Public Roadways within the CCDD

Mr. Quinn said because Waterside Drive is the only street inside the CCDD that is 30 miles per hour, he would like staff to petition the county to lower the speed limit to 25 miles per hour. He said there is a safety issue because Spring Park does not have a speed limited

posted. Therefore, he said if a car turns onto Spring Park from Waterside, they will be speeding near the school.

Mr. Forbes noted that Celebration Boulevard is 40 miles per hour. He said it was posted at a lower speed, but the county increased it. Mr. Quinn said the county has calmed the traffic coming into Celebration from Celebration Place and World Drive by decreasing the speed limit. Therefore, a 40 mile per hour speed limit on Celebration Boulevard is illogical. As a result, Mr. Quinn requested staff pursue reducing the speed limit on Celebration Boulevard between the World Drive and Campus intersections so it is no faster than the speed limit on World Drive.

Mr. Crow asked what county agency oversees speed limit changes, and Mr. Forbes replied the county engineer. Mr. Crow asked if the county engineer's decision is ratified by the Osceola County Commissioners. Mr. Forbes said that decision is delegated to staff. Mr. Moyer said anyone can report these types of concerns to the county. Mr. Quinn stated the CCDD has an obligation to be the voice of the constituents the district represents. Mr. Moyer said the county staff looks at the district differently than the residents within the district, noting the county staff may be more sympathetic to the residents' voices.

Mr. Quinn said if the county wants Celebration Boulevard to be 40 miles per hour, then World Drive should be 40 miles per hour. He said otherwise it is illogical and against the traffic standards he has reviewed. Mr. Forbes said the county will not take into consideration the speed limit on World Drive because it is outside the county's jurisdiction.

Mr. Crow asked if there are any statutory requirements that make the CCDD responsible for bringing these types of issues to the county. Mr. Moyer said the obligations of the CCDD are no more than any other homeowner within Celebration. Mr. Quinn asked if there will be a signal at the intersection of Waterside and Celebration Boulevard, noting he feels a signal is necessary. Mr. Forbes said although there was a signal in the master plan for that intersection, a traffic study determined it was not needed. Mr. Quinn asked when the study was conducted, and Mr. Forbes replied more than a year ago. Mr. Quinn said the situation has changed since then because the study was conducted before the high school was opened. Mr. Crow asked if there is wiring at the intersection to support the signal, and Mr. Forbes said yes.

Mr. Crow asked what other intersection were involved in the traffic study. Mr. Forbes replied one on Waterside Avenue, one at the Campus and Celebration Boulevard intersection

and one by Town Hall. Mr. Akey said the speed on Waterside Drive concerns him because he believes it is hazardous to the children, especially with a blind curve just before the Spring Park intersection. Mr. Quinn agreed and said he asked staff to petition the county to reduce the speed limit from 30 miles per hour to 25 miles per hour.

Lease Agreement for Use of The Celebration Company Compound

Mr. Quinn asked if a determination was made on who will be leasing the space. Mr. Moyer said Mr. Katz was concerned about who should be leasing it, although it is clear the CCDD and ECDD use the compound. Severn Trent does not use the area because it is for district contractors. Mr. Moyer added Mr. Katz does not want the lease to be for one year; rather he feels it should be for 10 years. Mr. Quinn said he thinks the lease should be annual with an automatic renewal option. Mr. Moyer said Mr. Katz may be concerned The Celebration Company will want to use the land for some other purpose. Mr. Quinn said he does not feel there is anything else that can be done with the land because a road will eventually be build there. Mr. Crow asked what will happen when the construction for the interconnector begins. Mr. Moyer said if the road was built, the CDD would have to negotiate the use of another property within Celebration. Mr. Crow asked how much room is needed and Mr. Moyer said five acres. Mr. Moyer added that it is important to have a compound within Celebration to ensure work is done quickly and effectively. Mr. Crow said he thought The Celebration Company asked the districts to vacate the property next fall. Mr. Moyer said that was not true; The Celebration Company proposed a one-year lease. He noted Mr. Katz proposed a 10-year lease because he believed The Celebration Company's request implied they may want the district to vacate after one year. Mr. Quinn said it is not necessary to have a 10-year lease, but he supports the idea of having a renewable annual lease. Mr. Forbes said the lease agreement for the land is standard. He said it is an annual renewable contract intended to establish standard responsibilities and insurance requirements. Mr. Quinn said he has no objection to that type of lease. Mr. Moyer said it will be on the February agenda.

Mr. Akey said there is garbage piled under the bridge at Lake Evalyn. Mr. Smith said Davey Tree will take care of it.

Consideration of Establishing a Regular Workshop Schedule

Mr. Quinn said he would like a workshop two weeks before the next board meeting. He requested staff set up a date for that as soon as possible to avoid scheduling conflicts. Mr. Crow requested a 90-day workshop schedule. Mr. Quinn agreed and said the need for a regularly scheduled workshop will disappear once the board becomes updated on district matters. Mr. Akey asked if the board could schedule the meeting in the evening so residents would have a greater opportunity to attend. Mr. Quinn said he would not object to an evening meeting time. He suggested staff look at alternative times, including the time of the board meetings.