

MINUTES OF MEETING
CELEBRATION COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Celebration Community Development District was held Wednesday, May 17, 2006 at 6:00 p.m. at 851 Celebration Avenue, Celebration, Florida.

Present and constituting a quorum were:

Richard Quinn	Chairman
Peter Crow	Vice Chairman
Steve Katz	Secretary

Also present were:

Gary Moyer	District Manager: Severn Trent Services
Jim Basque	Attorney: Shuffield, Lowman & Wilson
Larry Walter	Engineer: Hanson Walter
Matt Forbes	Disney Imagineering
Amy Arrington	District Manager's Office
Bill Neron	District Manager's Office
Brian Smith	District Manager's Office
Rick Woodville	District Manager's Office
Kathryn Graves	Resident
Brian Martinez	Resident
R.J. Kelly	Resident

FIRST ORDER OF BUSINESS

Pledge of Allegiance

Mr. Quinn led the *Pledge of Allegiance*.

SECOND ORDER OF BUSINESS

Roll Call

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

THIRD ORDER OF BUSINESS

Public Comments

Ms. Kathryn Graves stated I am resident of North Village. I would like to see the trees replaced on Celebration Boulevard that were damaged in the hurricanes. A lot of them had been removed and we want to see our Boulevard restored to the beauty that it had prior to the hurricanes.

Mr. Smith stated later on in the agenda we will address this issue.

FOURTH ORDER OF BUSINESS

**Approval of the April 19, 2006
Regular Meeting**

Mr. Quinn stated Mr. Moyer I have a number of editorial comments I will give to you after the meeting. One of the things that I noted when I went through the minutes was there was a substantial portion of the minutes where the tape recorder was apparently not working and the timeframe of the minutes was when the representatives of The Celebration Company were describing the development plans for both Celebration Place and Celebration Boulevard. This entire section of the discussion is missing.

Mr. Katz stated those minutes are a reflection of what happened at the meeting and we do not have a transcription of what was said, so staff can put in a description of what was stated and send it to the developer to make sure it is accurate so it will be part of our record.

Mr. Quinn stated I think we need to do something because we do have an obligation to the State to have a complete set of minutes of the meeting. The minutes that we have here are the summary minutes of the meeting, but because we are doing summary minutes of the meeting, we are required by Statute to have a full verbatim set of minutes on tape or some other permanent median that is available to the State as part of the State's archives. We need to get the sense of what went on in that timeframe.

Mr. Moyer stated the way to do that is to perhaps in these minutes, reference the materials that were handed out that was the filing of their application and that is what was presented by the Celebration Company. We can go ahead and do a summary of that, but we can make a part of these minutes the actual application.

Mr. Quinn stated that is fine, as long as we capture the fact that there was a piece of discussion that took place at the last meeting and it is not captured here. One set of comments that I want to make sure are part of those minutes and will be part of these meeting minutes by extension is, in the midst of the discussion by the representatives of the Celebration Company, I made the request based on their proposal to put Senior housing in on the Boulevard that if, in fact, they were going to put age-restricted housing that far down on that side of the Boulevard, they needed to make an accommodations for those Seniors to be able to efficiently and safely get into town. I want to make sure the comments are reflected in the minutes so they are not lost.

Mr. Katz asked should we defer the minutes until next month?

Mr. Quinn stated I think that would make sense until we have the opportunity to touch base with the representatives from The Celebration Company and make sure what you put in reflect so their discussion is sufficient.

Mr. Katz stated are the October minutes still outstanding?

Mr. Moyer stated yes.

Ms. Arrington stated I think those are near completion.

Mr. Katz stated I move that we table the approval of the minutes of the April 19, 2006 meeting until next month. I would also like to receive these minutes before they go into the agenda package and send the agenda out later.

Mr. Moyer stated we can do that.

On MOTION by Mr. Katz, seconded by Mr. Crow, with all in favor, approval was given to defer approval of the April 19, 2006 minutes to the next meeting.

Mr. Katz stated I would also like to make a motion we move items five, six and seven to the end of the meeting so we can get these other items discussed.

FIFTH ORDER OF BUSINESS

Presentation of Fiscal Year 2007 Budget

A. Fiscal Year 2007 Budget

Mr. Katz stated we usually do this at our June meeting because there is a 60-day window. Is there some reason why we have to do this at this meeting?

Mr. Moyer stated the June meeting is the 21st and the August meeting is either the 15th or 16th. If you want to juggle it and you do not mind pushing the August meeting back a week, you do not need to do anything today.

Mr. Katz stated I asked for a capital budget.

Mr. Moyer stated we did not include it today.

Mr. Katz stated they should be altogether. Is this the budget we should review or will there be another one?

Mr. Moyer stated the operating budget is nearly completed. This anticipates that the assessments will not go up next year and there are ample funds to operate at our current level.

Mr. Katz stated this would be a good time to have our contract with Severn Trent reviewed so we can see where these pieces fit in.

B. Resolution 2006-02 Setting the Public Hearing

Deferred.

SIXTH ORDER OF BUSINESS

Discussion of Website

Mr. Quinn stated this is a continuing discussion of what was in the agenda last month, with the request that the Supervisors review the proposed website and make any comments they might have on it, to add anything they felt needed to be added or delete anything they felt did not need to be on it. The last remaining issue was to resolve the cost issue with Town Hall. I have not seen anything back from Town Hall on the cost. We will just keep moving it until we get an answer to that. When we come back with this at the next meeting, hopefully the rest of the Supervisors will come back with any comments they have on the website.

Mr. Crow stated we are not dealing with CROA or Town Hall; the proposal came through the Joint Committee and some of us in the room are on the Joint Committee. I did talk with Matt about this specific issue if anybody wants to be filled in about that they can, but basically, he has no objections to us not being charged for it.

SEVENTH ORDER OF BUSINESS

Discussion of Possible Use of Town Hall for District Offices

Mr. Moyer stated CROA has decided not to do anything at this point with Town Hall, so the discussion we would have is premature.

Mr. Katz asked do you want an opinion as to when you should move there?

Mr. Moyer stated the discussion was going to be that if the opportunity arose where the CDD could lease the space in Town Hall, some people in the community felt that Town Hall should remain as a government facility because that has been its traditional use. This is what we were going to ask the Board to consider, but at this point there is not really anything to discuss because they are not going to move forward with doing anything with Town Hall.

Mr. Crow asked are they going to remain in Town Hall?

Mr. Moyer stated I think that is still a discussion that is ongoing with CROA representatives. There might be certain CROA personnel that remain in the building and others that move to the 851 building.

Mr. Crow asked this may or may not reappear?

Mr. Moyer stated it may or may not.

Mr. Eldridge stated CROA is moving into this facility and they have not totally resolved what we are going to do with that facility. I would personally welcome you, but I am only one person.

EIGHTH ORDER OF BUSINESS

District Manager's Report

A. Financials

Mr. Moyer stated the financial statements, check register and approval of attorney's invoices are included in your agenda packet for your review.

Mr. Katz stated on the check register, the Severn Trent invoice No. 3146 is just a dollar amount and based upon what I remember of the contract, there are lots of pieces to that contract and I would ask for the Severn Trent invoice be moved to our regular individual approval just as we do the attorney invoices, with all of the pieces of that invoice broken out so we know exactly what it is. I would like to ask that from the next meeting on that the invoice be broken out separately and be approved at the meeting. As a part of that request I would like for you to get a copy of the contract so our attorney's can review it as well, as part of our indoctrination of our attorneys into our business. Regarding the Supervisors' payments, Mr. Quinn received a check for \$52.62 and I received one for \$60.48 and I cannot figure out why yours is less than mine.

Mr. Woodville stated check number 3126 was voided at a later time and he did not receive that check.

Mr. Katz asked then why are we approving it?

Mr. Woodville stated that was at the time I ran the check register and the payroll department had not voided that check, but I have a payroll register if you would like to see it.

Mr. Katz stated I was wondering why we had to talk about it before we first knew it was voided. We are here to approve all of these checks. Also, check 3128 for \$79.85 was mailed to Mr. Quinn. Was that check paid or was it another voided check?

Mr. Quinn stated that one was paid.

Mr. Katz stated the check for \$60.48 went to me; was the \$79.85 for a specific meeting?

Mr. Woodville stated yes, I have a reconciliation.

Mr. Katz asked do these April 11th dates mean anything?

Mr. Woodville stated check 3127 to Mr. Katz, was for the month of March, but it was also an adjustment for January through March, as far as the back taxes. From the employer's portion of the Social Security and Medicare, at that time we had changes that were going back and forth, so it did get very confusing as far as we were handling it. Initially, back in January and February we were paying you \$200 a meeting and in March we decided go with the \$175 number and we were making adjustments to collect those back taxes at that time for those prior meetings.

Mr. Katz asked all three of us are not on the \$175 are we?

Mr. Woodville stated no, but you were back in March.

Mr. Crow stated so this is adjusting January and February for Mr. Katz and Mr. Quinn.

Mr. Katz asked why would our checks be different if we are all three paid the same?

Mr. Quinn stated probably because we have different withholding.

Mr. Crow asked why was mine not on the check register?

Mr. Woodville stated because at that time you were not clear as to whether or not you wanted to fill out the W-4 and forego your compensation at that time. At the last meeting some of this had changed since March and April as far as how we were going to compensate.

Mr. Katz stated check 3129 is made out to Mr. Quinn for \$151.61 and check 3130 was my check for \$156.15, which are different amounts. Is that from a \$175 salary?

Mr. Woodville stated yes. Initially, you had not filled out the W-2, so it automatically defaulted to zero exemptions and we automatically took out the most taxes. That has now been adjusted.

Mr. Katz stated these checks reflect Mr. Quinn and me receiving \$175 per meeting.

Mr. Woodville stated that is correct.

Mr. Katz asked where are the employer's contribution checks that go to the IRS, which are quarterly payments?

Mr. Woodville stated those are reported as a liability and not part of the payroll ledger.

Mr. Katz asked when are you going to be paying those?

Mr. Woodville stated I will have to check with my payroll department.

Mr. Katz asked whose liability is it?

Mr. Woodville stated it would be a liability of the CDD.

Mr. Katz stated so you are not going to be paying those payroll taxes until you decide you want to do it?

Mr. Woodville stated our payroll department handles this on a quarterly basis.

Mr. Quinn stated you would have missed March, which means the next one will be June.

Mr. Katz stated those payments were made in April and this is May.

Mr. Woodville stated I do not handle that, but I can find that information for you.

Mr. Katz stated I understand that you have a lot of confidence in them, but my point is, I want to see our bills being paid on time. Last month we had finance charges for two different amounts and if you are not paying our payroll taxes, that is 100% penalty, which we have to absorb and not you.

Mr. Woodville stated we are paying your payroll taxes.

Mr. Katz stated but you did not pay it during April when they were due.

Mr. Woodville stated I do not know if that is the case; I would have to check with the Payroll Department.

Mr. Quinn stated every time I look at these check registers I continue to have curious questions. What is the \$1,263.70 for Leisure Furniture?

Mr. Smith stated we ordered benches for Water Street where we lost several benches. It is for benches, rocking chairs or trash cans down on the lake front.

Mr. Katz stated I would like to put these separately on the check registers. There is no void by the check that you now said was voided to Mr. Quinn. Are there any other checks on there that should be voided, but are not marked "void?"

Mr. Woodville stated not that I am aware of.

Mr. Katz asked are the fees that we see in the column after posted, voided?

Mr. Woodville stated there are no checks voided except the one I told you about.

B. Check Register

On Motion by Mr. Katz, seconded by Mr. Crow, with all in favor, approval was given to the check register.

C. Approval of Attorney and Engineer Invoices

Mr. Moyer stated the attorney and engineer invoices are included in your agenda packet for review.

Mr. Katz stated I would like to remind everybody about Ms. Stuart's firm involvement in Carlyle matter and that she is not giving us a separate matter invoice, she was giving us an invoice as general counsel. Mr. Moyer contacted her at my request to find out how much she had that we had not paid and she said it was \$500. She has now received that \$500 from Carlyle, so a lot of these invoices in here are not being cut from our account until Mr. Woodville reconciles that with Ms. Stuart.

Mr. Woodville stated the letter was issued today that reconciles the outstanding invoices that are also included in this packet and she has given us credit against some of the items that are in the package.

Mr. Katz stated why do we not go through these invoices so we can do this as a proper record, as to which ones to pay and which ones not to pay. I do not see Invoice 20853 on this letter; is that to be paid?

Mr. Woodville stated invoice 20853 was the general counsel and during the conversation you and I had last week, you suggested that one should be paid.

Mr. Katz stated I had asked about the prepaid balance.

Mr. Woodville stated you will see that on another invoice.

Mr. Katz stated the amount of the charge is \$42.43 and I did not think we were paying these invoices, I thought we had a credit.

Mr. Woodville stated it depends on how they applied it and they applied it in other places. I apologize, I confirmed with Hopping Green since you and I had spoken and invoice 20853 has already been paid and invoice 20854 was the general meeting and that is the one you said you would approve at this meeting.

Mr. Katz stated it says prepaid balance \$305.85. I do not know how Hopping Green does their invoices, but to me that is more like a retainer and that would mean that we would still have the ability to charge \$200 plus.

Mr. Woodville stated as we move on to the other invoices you will see the \$305.85 applied.

Mr. Katz stated it was not applied to the meeting invoice 20854 and it was not applied on invoice 21513, which is the following meeting.

Mr. Woodville stated it was applied against invoice 22071 for \$135.91 and invoice 21512.

Mr. Katz stated now we have to go back to the letter because it does not reflect any of these invoices. Invoice 22071 where they applied \$135.91 credit means that the balance of \$190.13 is what they want to be paid; however, part of that has to do with the Carlyle matter.

Mr. Woodville stated they go on in the letter under the first indenture.

Mr. Katz stated they already paid the \$190.13 against the \$500 they received.

Mr. Woodville stated so they are not asking for the \$190.13 be paid because they are applying it against the \$500 you are referring to.

Mr. Katz stated then invoice 22071 is now paid.

Mr. Woodville stated that is correct. This letter was provided today and that is what we want to go through with the Board to make sure you are comfortable.

Mr. Katz stated where is invoice 22443?

Mr. Woodville stated these invoices have not been received yet.

Mr. Katz stated so we have \$42.15 credit balance with them.

Mr. Moyer stated you probably will not see invoice 22443.

Mr. Katz stated why not, it is our invoice.

Mr. Quinn stated it was paid in full from the prepaid amount received.

Mr. Katz stated we should be getting all of our invoices. Just because they were paid by a third party, they are our invoices. This \$42.15 is prepaid balance and we are not using it for anything.

Mr. Woodville stated according to Natalie that I spoke to, Ms. Stuart had indicated that she did do a little bit of work in April to wrap it up and will not be billing anymore than the \$42.15.

Mr. Katz stated having said all that, the only invoice we need to approve besides the general meeting invoice of the \$415.49, is the \$462.78, which is invoice 21513 dated February 28th for January business.

Mr. Moyer stated if we expect to get invoice 22443 and have the Board approve that, why would we not approve all of the invoices?

Mr. Katz stated we are going to approve all of them; we are just talking about what we spent the money on.

Mr. Woodville asked are we paying invoice 20854 for a general meeting?

Mr. Katz stated that brings us back to invoice 20853, which has a \$42.32 balance. That invoice still needs to be paid.

Mr. Woodville stated that one has already been paid; it should not have been in here.

Mr. Moyer asked was it previously approved?

Mr. Woodville stated yes.

Mr. Katz stated so invoice 20854, which was a general meeting invoice of \$1,549.78, we need to approve and pay.

Mr. Woodville stated yes.

Mr. Katz stated invoice 21513 in the amount of \$462.78 we need to approve and pay.

Mr. Woodville stated yes.

Mr. Katz stated the only other invoice we need to approve is 21512, but it has been paid in full.

Mr. Moyer stated yes.

Mr. Katz moved to approve invoice 21512. Mr. Crow seconded the motion.

Mr. Crow asked for the record, Ms. Stuart left at the end of December of last year.

Mr. Moyer stated actually it was January because I believe she came to the January meeting.

Mr. Quinn we asked her to hold over a month to get transitioned.

Mr. Katz stated we ask her to and she said no. She was done in December. Shuffield Lowman came to our January meeting to introduce themselves and started in February.

Mr. Moyer stated you are right.

Mr. Crow stated with that being the case, what was the HGS follow up on January 8th?

Mr. Katz stated she charged for travel to our meeting in December. Perhaps your question should be passed on because January 24th was the invoice date for the December meeting and I

would have thought travel would have been wrapped up. Should we not approve that invoice and go back or should we approve it pending your discussion.

Mr. Moyer stated go ahead and approve it and I will call her and if it is in order, we will pay and if not, we will not pay.

Mr. Crow stated apparently she was still involved with us at the audit committee and concurring on the Carlyle matter and we were not charged.

By unanimous vote the motion was approved.
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D. Number of Registered Voters within the District

Mr. Moyer stated this is to enter into the public record, the number of registered voters that we have in District, which is 4,545. This is sort of a moot exercise at this point because the entire idea is to gauge whether or not the District has 500 or more registered voters. If we have more than 500 and we have been in existence for ten years, we trigger a conversion where Supervisors are elected and this year we are done with that process.

Mr. Katz stated it was in 2004 when it happened.

Mr. Moyer stated that is right, but the law does not say once you start the general election process, you no longer have to go through this, so to be in compliance with Chapter 190, every year you will get this information.

Mr. Quinn stated this is as of what date.

Mr. Moyer stated April 15th.

E. Field Operations

Mr. Smith stated as a follow up to Ms. Graves request for North Village, we have a proposal from Davey Tree to transplant 21 trees from World Drive. The Celebration Company would like to see those trees there and they are going to come in and remove the trees. They are nice trees and as you can see from our proposal and the cost associated with it makes a lot of sense to spade those trees and move them to the North Village Boulevard. I would like to get authorization to go ahead and transplant those trees that are available to North Village in the amount of \$10,500 and for an additional \$4,500 for time and material for sod replacement and repair on World Drive. We expect to do a little damage to the sod there and we would like to get started as soon as possible before it starts getting wet. The trees are

all in good shape and they are very similar in size to the existing trees along North Village Boulevard. We have a good opportunity to move these trees, which will make a nice impact and get that boulevard to the place it was before.

Mr. Katz asked the trees themselves are not on Celebration CDD property?

Mr. Smith stated they are actually on DOT property, but we have a maintenance easement over that property.

Mr. Katz stated the Celebration CDD maintains the DOT property?

Mr. Smith stated yes.

Mr. Katz asked do we have the right to remove trees in that maintenance easement?

Mr. Smith stated as far as I know we do.

Mr. Moyer stated we never conveyed the trees to DOT.

Mr. Katz asked but we gave them the land?

Mr. Forbes stated the trees were paid for billed by the Celebration CDD and they remain the ownership and control of the Celebration CDD through an Easement Agreement with DOT for maintenance. This was part of an agreement that was set up similar to the connector extension where there is a Tri-Party Agreement with Enterprise CDD, Celebration CDD and the Turnpike Authority and the DOT sets up a responsibility and obligation to maintain the common area. DOT will maintain so many palms and shrubs and then they look to the land adjacent land owner or wherever, to maintain the rest.

Mr. Katz asked did we use bond money to put the trees there?

Mr. Forbes stated yes.

Mr. Katz asked we put those trees there under an agreement that we would do that? What was our reason for using bond proceeds to put trees there?

Mr. Forbes stated it was part of the entry feature for Celebration Boulevard.

Mr. Katz asked do we have an agreement with the DOT that we would put those trees there?

Mr. Forbes stated it is a permit.

Mr. Katz stated I am not asking if we were able to do it, I am asking if we are required to do it.

Mr. Quinn asked will they be annoyed when we take them out?

Mr. Moyer stated no.

Mr. Katz stated I think we need to get the trees in North Village done. These trees are gorgeous and it will be nice for them to be the same kind of trees, which we issued bonds to do. I always worry about where we think we have the ability to do things, but then when we actually do something, perhaps somebody else might say later that it was not okay. I do not like being in that position; I want to have clear authority from somebody, in writing that we have that ability to do it, as opposed to TCC taking them down anyway and I do not know if they have the right to take them down because they are our trees, we bought them and used public funds to put them there, so I do not see how TCC has the right to take them down. We are also using operation funds to maintain them. We have been talking about this for months and I do not know why we have not moved those trees to North Village.

Mr. Smith stated originally our direction was to do the residential trees and hold off on the common area trees, then go back and install those. Since we have an opportunity here to remove the trees that are there and use them in North Village, it seems to make sense.

Mr. Katz stated I think we should go ahead and use our bond proceeds that we set aside for the trees for North Village. The problem I had with the way it was laid out in the beginning, we were going to put smaller residential trees on the residences and the large trees on the common area side, which we were doing common area first and it did not seem like the right thing to do, so we at least get all the residential trees done first and put the common area trees in and we are at the point where we need to do it. I am concerned about using trees that we issued bonds to put in and then taking them out. The bond issue is also a separate bond issue, a South Village bond issue that I believe we used those monies for and to take those monies out of one assessment and put them in another, concerns me. We need to be sure that we can actually take those trees and get the North Village trees in right a way and you already have the authority to do that without having to wait another month.

Mr. Smith stated as we discussed, it will be a smaller tree in the common area and will not match the trees that are currently there, where these trees are and we have the opportunity to move them and it is a pretty good price to go ahead and move them. I would be more than happy to go to the DOT and get them to give us a written statement saying that we can go ahead and move those trees as long we go back and repair any damages that we cause.

Mr. Quinn asked when does The Celebration Company want to take them down?

Mr. Forbes stated as The Celebration Company is pursuing development of properties on both sides and there is a grading for a fourth project that is under design and permitting, in that design there is a high likelihood that the outbound rows of trees will be affected by grading work, so that is when we informed Mr. Smith that those trees will be in conflict.

Mr. Quinn stated you are in the process of permitting a project that will destroy the trees.

Mr. Forbes stated yes.

Mr. Crow asked where specifically are these trees going on the Boulevard?

Mr. Smith stated there are two rows of trees on either side of World Drive and we are taking the back row of the trees and there will still be a row down either side of World Drive; we are just taking out the rows in the back.

Mr. Crow asked how do they compare to the size of the trees that we lost?

Mr. Smith stated they are very close to the size and height of trees that were there. We have live oaks and along Celebration Boulevard, so these trees will fit in the Boulevard and will match the existing trees.

Mr. Crow stated I recall that we lost a certain percentage of trees when they were moved. Can we expect to lose 5% or 10%?

Mr. Smith stated I would say 5%, if that. We are using this 90 spade and it works pretty well. In the past Davey has been very good about guaranteeing the movement of these trees. If the tree itself is bad, they will not move it; we will just cut it out and will not bill for it, but if they feel strongly about moving it, because they are being moved to a location where the trees do well, we should have a good success rate on it.

Mr. Crow asked if we do lose some, would we replace them at that point? If we want to put 21 trees in and we lose a couple, there might be some additional costs to the District.

Mr. Smith stated there is going to be additional cost once we start on the common area tree replacement, which is going to be selective. That is one of the areas that once we are done with the residential tree replacement, we are going to the common area tree replacement and start filling in the holes in North Village and anywhere else that needs it. There are some areas where we do not need to put trees back in the common areas because some of them got so big that it would not make sense to put a little tree in there. It is more of an entry feature and that makes sense to put it in there because of the type of drive you want going into North Village.

Mr. Crow stated recently we have begun hearing from residents in North Village and I was hoping we could make them happy. I am certainly in favor of this.

Mr. Brian Martinez stated I live at 222 Celebration Boulevard and I want to know why the trees have not been replaced. They have been down for quite a while and this is a great opportunity and we should be able to take advantage of it.

Mr. Quinn stated we lost at least 1,000 trees throughout the entire community and in order to be able to restore the entire community there was a process put in place last year to stage the installation of the trees, one village at a time starting with the residential areas first and then the common areas. We are just about done with the residential areas and now we are starting on the common areas.

Mr. Martinez asked what is the definition of a residential area versus a common area?

Mr. Smith stated a residential tree is the one in front of your home between the sidewalk and curb; the common area trees are in areas where they are not adjacent to someone's home. For example, we have a lot of tree beds around ponds and different areas, which are not priority to be replaced; it is the one in front of your house that we are trying to get replaced. North Village was the first stop when we started doing residential trees and then went to Celebration Village, West Village, South Village and East Village.

Mr. Martinez asked are these plotted or mapped between the villages? North Village money never paid for any of the other places?

Mr. Katz stated bond money is capital construction, so we are supposed to have separate invoices for separate places.

Ms. R.J. Kelly stated I live at 207 Celebration Boulevard. I think the overall question I have is, I understand there was a process of prioritization and we might debate whether or not everybody agrees with that or not, but I appreciate the commitment to get it done. Just on the Boulevard and around the park in North Village, there are 50 plus spots; can we expect, at some point, those will all be replaced?

Mr. Smith stated that is our goal. When we are done with the residential trees, we have a list of all the common area trees and we will prioritize the trees to be replaced. My concern in getting the trees on World Drive is the entrance up the median strip in the middle and making them all similar in size. Once we get up into the neighborhood where the park is, we can start putting in the smaller, 200 gallon high rise oaks.

Ms. Kelly stated I agree with you because right now in North Village, coming around the curve by Children's World that green space looks forgotten. Also, the painting on the road is all most worn off.

Mr. Smith stated I have met with the County on that issue and they have asked that we submit our wish list and we will have the County come in periodically and refresh all of the thermoplast, which is all the striping on the roadways in North Village and we are also going to start painting the light fixtures there as well, which should happen fairly soon.

Mr. Martinez stated regarding the volley ball nets in North Village, Town Hall told me those were the responsibility of the CDD.

Mr. Quinn stated that would be your representative from CROA.

Mr. Crow asked are some of the trees we are talking about CROA trees or are we talking just about CDD trees?

Mr. Smith stated there are some CROA trees.

Mr. Martinez stated so the trees in between the Boulevard are North Village trees. I live on Celebration Boulevard and the tree in front of my house is missing, so that would be the CDD.

Mr. Quinn stated given the fact that if we do nothing with these 21 oaks on World Drive, which we paid to install, to maintain and to take care of they are going to be bulldozed by The Celebration Company if we do not move them. My suggestion is to go back to The Celebration Company and suggest that they should pay to move them.

Mr. Katz stated if we use bond proceeds to put those trees in, they cannot just bulldoze the trees.

Mr. Moyer stated that depends on what the easement says.

Mr. Katz stated perhaps we need to file an injunction so we can look at the easement.

Mr. Moyer stated that does not get the trees in North Village.

Mr. Katz stated we are not talking about not getting the trees; we are talking about using the right procedures to get the trees. We were unaware they were going to bulldoze our trees; what if they came in and decided to do the same thing in North Village and we did not know about it. That is where the discussion started; not whether you were going to get trees or not. We already have the funds in the bank waiting to be spent on trees. We have a procedure for getting the trees out and we are doing that, but now we are discussing our legal rights to what

we spend bond proceeds on. Trees are no different than anything else we spend money on. For example, if we build park facilities, nobody has the right to just take them away.

Mr. Moyer stated your point is well taken in that we need to look at the easement, but if we build a curb and somebody puts a turn lane in that curb is gone. It is the same difference; we could say no, we are not going to permit turn lanes.

Mr. Katz stated there is an easement right to build a driveway through the curb for a home or a structure for that area, so they already have the easement rights to do that. We are talking about an improvement to land that we spent money on.

Mr. Moyer stated we will leave the trees there and spend \$40,000 on trees to put in North Village Boulevard; just tell us to do it. It is totally up to the Board, what ever you tell us to do.

Mr. Katz stated we were not doing anything different before tonight, other than spending that money, but what we have learned is that our property is being taken without our consent and that is what I am focusing on. Mr. Quinn's suggestion was that if there is the ability to compromise, The Celebration Company would pay to remove and install them. We would be unhappy if they bulldozed our trees and we might have to pursue that to find out what our rights are.

Mr. Moyer stated keep in mind that litigation is going burn through \$10,000 pretty quickly.

Mr. Crow stated you said that if we had to get the trees out and install them, this is an auspicious time of year to do this.

Mr. Smith stated it is a good time of the year before the rain starts.

Mr. Quinn asked do you know when the grading project is scheduled to begin?

Mr. Forbes stated it will be during this calendar year.

Mr. Crow asked how much would 21 trees cost?

Mr. Smith stated with trees that large, we buy the much smaller ones that you see for \$1,500 each, so 21 trees would be approximately \$32,000. You might lose a few, but you also lose container trees as well.

Mr. Katz stated this is not a North Village issue; this is putting in trees throughout Celebration and we are not changing that plan. There is apparently no urgency to have to take these 21 trees for North Village, they could be going into South Village, which is where the bond proceeds were spent and I would be more comfortable with that. We requested it for all

of the Villages and North Village was first at our request. This is not a question of spending more money to put North Village trees in; we are going spend \$2,000 per tree in the common areas throughout Celebration.

Mr. Quinn stated if we do not pull those 21 trees out now for North Village, by the time we get to another part of town, we are probably going to end up pulling those 21 trees out to go to another part of town.

Mr. Smith stated unless we use them as common area trees, I do not really have anywhere to put them because we cannot use that space between the sidewalk and curb to do residential trees, so they would just be moved to a common area location and I really do not have a common area location that is as highly detailed as Celebration Boulevard going into North Village.

Mr. Quinn asked so North Village is the most affective use for those trees?

Mr. Smith stated yes. In my budget I have a \$15,000 contingency, which I have not spent yet, so I do not necessarily have to go the bonds.

Mr. Katz asked are you talking about the operational budget?

Mr. Smith stated yes. There is a contingency line item in the budget that can be used for things that are not identified in a line item.

Mr. Katz stated that was not my problem; the problem was using the South Village bond proceeds to put the trees in. I would like to pursue what our rights are with respect to those trees; whether or not we own them and whether or not we are required to maintain them. If we are not required to maintain them we can remove them and my suggestion would be that we look at all the trees we have with DOT and see if there are areas we are spending a lot of money on to maintain them and perhaps we do not need to do it anymore. I also think we should go ahead and get the North Village project going as we discussed, as well as all the other common areas.

Mr. Crow stated if Disney is just going to take those trees down, is there a likelihood that we would not notice that they did it?

Mr. Moyer stated there are two rows of them, part of which are now growing into the wooded area, so I do not know what the impact would be.

Mr. Crow stated if we do not do anything they are still going to take them down because they want the ground. We could get into litigation if we wish to, but the reality is, they want that ground.

Mr. Katz stated no, it is not a reality; they are basically asking us to save that issue from not coming forward. They are doing something that is going to affect our trees on their land. Is it on the pavement or curb?

Mr. Forbes stated neither; the trees are on DOT land. Due to permitting experience with the DOT, you are at their mercy and if there is an existing condition or change, if there is a curb on it, it is subject to those improvements. The DOT places the responsibility to maintain on the person who places the enhanced improvements or if there is a further change to that, the party that changed it is responsible to make those changes. I do not believe the jurisdiction is the Celebration CDD, nor is the land ownership.

Mr. Katz stated what you said that actually makes it sound worse is that if the DOT finds out that the trees are there, whether they asked for it or somebody offered to do it, the trees are there.

Mr. Forbes stated the CDD filed the application to put in those trees.

Mr. Katz stated so the DOT said they would let us put them on their land and we maintain them and all of a sudden, a public company changes the land and it affects public property, DOT property and the tree, which is owned by another public entity. It seems to me that the private third party is the one that has the problem. We cannot maintain it anymore and DOT says we are supposed to maintain it. The problem is a lot larger in that we permitted them to put trees there and we are supposed to maintain it and now a third party is coming in and affecting that agreement, which needs to be worked out so we do not have the responsibility to put another tree back there and you not infringing upon our rights to have that tree there.

Mr. Forbes stated my recollection is that the permit says Mr. Smith has the right to remove them, as well as any other applicants needing to improve on those sites, subject to DOT. If DOT permits the removal of those trees, the CDD does not have the responsibility of replacing them.

Mr. Quinn stated until somebody gets DOT to say go ahead and take the trees out, they do not care. Unfortunately, when you are dealing from a governmental standpoint, we need to get language for this.

Mr. Smith stated I can get a statement from DOT saying we can take the trees and to restore the area to what it was.

Mr. Katz stated without having this opportunity come up, when were you going to put the North Village common area trees in?

Mr. Smith stated as soon as I was done with the residential trees.

Mr. Katz asked is that still the plan?

Mr. Smith stated we will probably be able to start on the common area trees in July.

Mr. Katz stated so we are not delaying the process.

Mr. Smith stated we are delaying it a little because we have some tree stumps from the dead trees that were there that were unsafe and could fall, so we cut the trees off and left the stumps in hopes we could replace these trees as soon as possible. If you do not want to take the trees from down there and use them somewhere else, with Board direction I could go ahead and redirect our efforts to the North Village common areas so I can get those trees in because I want to get those stumps out of there.

Mr. Katz stated I do not think I want to be in that position. You are the one that set the schedule up and I do not want to ignore our responsibility to make sure that we do everything legally and correct. If you feel that there is an urgency to do them, go ahead and do it.

Mr. Moyer asked would your exposure not be if you removed those trees and in the worst case scenario you had to replant them, you would replant them with smaller size, cheaper trees and accomplish the same goal? At least this way we have an inventory of trees and our exposure is to put the trees back.

Mr. Katz stated my experience is with government, until we know what our rights are, we might never have had the right to go in and remove the trees in that permit application.

Mr. Quinn stated if the DOT does not have any problem and we have the right under the permit to remove the trees and it is the most efficient, cost-effective use of our resources to use those trees, which we have already paid for once and to replace 21 trees would probably cost us \$50,000 because those are large trees and it is the right time to do it, my recommendation is to go ahead and do it and the cost of doing that will probably come out of the operational budget as opposed to coming out of the capital budget.

Mr. Smith stated I can send that information to the Board separately and once I get that information from the DOT, then we can go ahead and start moving the trees before the next Board meeting, or does the Board want me to wait?

Mr. Katz stated I want to know everything at a Board meeting. I do not like to have ad hoc discussions.

Mr. Smith stated I will work to get permission from DOT and get the proper paperwork in place so we can move the trees.

Mr. Katz stated I also think our attorney needs to look at the documents and give us advice and I think the question about using trees from one bond issue to put into the another area is a small issue, but it is all part of the process. We would be spending money that we do not have in putting trees in the South Village area when we are not using South Village bond money for that.

Mr. Quinn stated I am not entirely sure that it is South Village bond money because it is on the opposite side of Celebration Boulevard, which was completely built and opened long before South Village.

Mr. Crow stated are we committing that we will have these trees replaced the beginning of July?

Mr. Moyer stated you run the risk of doing it in the wet season versus doing it in the dry season and the remedial costs might be more if it is wet.

Mr. Katz stated that was his plan.

Mr. Smith stated July was my plan if I used just the container trees and not the transplant trees. If I get authorization today to do the transplant trees I was going to do that immediately in the month of June where we still have a dry season and in July the afternoon rains start. We can move trees any time of the year, but dry season is a little better than wet season.

Mr. Crow asked are we at risk of losing more of the trees by waiting?

Mr. Smith stated I would say the percentage of loss could go up somewhat, but we will get the rain and that will help. It is just trying to get them out of the ground from the location they are in to the new location, which will be a little more difficult when it is wet because the trucks tear up more of the grass and we might have a little more regrading to do, but I believe we could still do it.

Mr. Crow stated what exactly are we doing?

Mr. Smith stated I am bringing back information from the DOT, which gives us permission to go ahead and remove the trees and any conditions that they might have will be included and I will bring it to the Board at the next meeting.

Mr. Moyer stated also provide the document to the attorney to review to make sure we have the legal rights to it.

Mr. Basque asked the document you are talking about is the permit?

Mr. Moyer stated yes.

Mr. Smith stated also a letter of permission from the DOT.

Mr. Basque stated we will also look at the issue of taking trees from the bond proceeds.

Mr. Katz stated I would also like for you to do a little more investigative review of what is actually happening and why these trees are being affected in the first place.

Mr. Quinn stated staff has the direction they need and we will take it up at the next meeting.

Mr. Smith stated in further hopes of beautifying the North Village entrance, we had discussed moving the Celebration Tree up the median strip. I received a letter from The Celebration Company, which is basically discouraging that thinking and asking that we replace the tree in the same location that it was in the past. The tree fence has been repaired and we want to replace that tree. I need direction from the Board as to how you would like for me to go forward with this. The Celebration Company has offered to help with the arborist from Walt Disney World, a very prominent arborist, to come over and give us some suggestions on installing the tree, what size and what type of tree in order for it to survive.

Mr. Katz stated this is the fourth or fifth tree; why did they not do that the first time?

Mr. Smith stated they did. Dr. Constanos was originally with us on the tree and he had several reasons why the tree died; the heat from the road and the clay bed around it. We have had other arborists look at it and the last tree we had there was doing very well. It looked like it was going to be the one that lasted. The two previous trees were laurel oaks and they were susceptible to systemic disease, which they did have. The last one we put in there was a live oak and it was doing well until the hurricane knocked it over and at that point survivability was pretty much gone.

Mr. Katz stated this is a \$50,000 expense and not a \$2,000 expense. My view is that we should have the arborist come in and talk to us first about the survivability of these trees

because now we have spent \$200,000 on trees and we have nothing to show for it. It is not a North Village issue, it is a median in an entrance to Celebration and that median can come out of there anytime the County decides to widen that road, so we moved that tree again, which is why we talked about moving the Celebration focal feature to a median that we actually had in the beginning that would not be widened. I think spending \$200,000 on five trees is a waste of money.

Mr. Smith stated the last tree we put in there was \$10,000.

Mr. Katz stated we have \$50,000 in our budget.

Mr. Smith stated that is because of the tree fence being expensive. We could put a \$1,500 smaller tree in there and let it grow or we could possibly use one of them from the move down on World Drive. I will get in touch with the arborist to come out and give us some suggestions on what to do and from that I can price the type of tree and try to have that information for the next Board meeting.

Mr. Quinn stated the letter does not obligate anybody. Originally the place that we suggested putting the tree and the tree rings, according to Mr. Forbes, was in a DOT easement.

Mr. Smith stated the location I was looking at was not within the DOT.

Mr. Quinn stated it was where the Chamber of Commerce sign is.

Mr. Smith stated I did meet with The Celebration Company out there and they do have some design criteria and design responsibility and I wanted to get their response. I received their response and at this time it is up to the Board. If you want to direct me to go to the DOT to get permitting, I will move ahead and try to find a location.

Mr. Katz stated one of our Board members, who is the architect, had no problem with that.

Mr. Smith stated I think Mr. Stofcik was approached and he had input on this letter.

Mr. Katz stated the point is we are trying not to waste money anymore on trees that do not survive very well. Celebration actually begins before you get to North Village; not after it and perhaps that is where we should welcome everybody as you drive into Celebration.

Mr. Smith stated I will take direction from the Board to research the DOT possibility of installing a tree on DOT property at the front.

Mr. Katz asked did we determine that was DOT property?

Mr. Quinn stated at the last meeting Mr. Forbes said he thought it was DOT property.

Mr. Smith stated if we put it by the community sign that is DOT property. You could move it back further and it would be on the CDD property, but there is still a wide median.

Mr. Quinn stated I would like the two features reversed where the first thing you see is the tree ring and the signature tree and when you get to where the tree currently is, that is where you put the sign.

Mr. Smith stated a lot of people put signs in that little median.

Mr. Quinn stated if the sign gets torn down because they widen the road or change the nature of the intersection, the sign can be moved someplace else, but when you start cutting down and moving trees, I would rather see the tree and the tree ring as far forward on Celebration Avenue as we can and make it a true entry feature to the town.

Mr. Smith stated I will research both of those issues.

Mr. Crow stated I think they got it right and I am reluctant to begin putting around with the design that Disney gave us. I would like to see the ring and the tree where it is.

Mr. Quinn stated if and when the connector is cut in, that tree will cease to exist because it will be right in the middle of the intersection.

Mr. Katz stated put something permanent there that might live, as opposed to a temporary holding ground.

Mr. Smith stated lastly, regarding the Carlyle project, they have approached me to move the lift station to the south side of Front Street. I have ask them to provide a stamped copy of the Easement that has been filed with the County and at that time I will let them go ahead. Currently, I am letting them pothole on that side of the road just to get locations on some utilities.

Mr. Quinn stated they cut down two very nice looking trees.

Mr. Smith stated that is correct. They are not going to be digging the well until we get the agreement in our hands. I looked at removing those trees and for me to move them the cost was astronomical and chances of survivability were very slim, since it is between the curb and the sidewalk.

Mr. Katz asked are we going to get an MOT from them as to when they are going to close the road on Front Street?

Mr. Smith stated the goal is not to close the road; they are going to do lane closures and they might make it one-way. I have asked them for MOT drawings, which I have seen, but

they are not quite like what they told me in the field, so I told them they needed to make them look like what they are actually going to do in the field because they will make Front Street one-way, which makes sense during the day while they are digging and once they move out they can open it back up.

Mr. Katz asked have they given you a timeline as to when they are planning to do that?

Mr. Smith stated they want to start next week and the entire process could take up to three months.

Mr. Katz stated I thought they told us a week and a half.

Mr. Moyer stated the week and a half was on Campus Street.

Mr. Smith stated they originally said two weeks.

Mr. Katz stated they said it would take seven days to dig that hole and that was all this time Front Street would be closed and now it is a three-month process.

Mr. Smith stated we all knew that was not the case. I think they were saying there was going to be two weeks of heavy impact to that roadway. There is going to be a period of time in these two weeks where they are going to have some major impacts to that roadway and after that it will be one lane during the day and open at night.

Mr. Katz asked how big of an area do they need to close off?

Mr. Smith stated that is a very deep lift station, so the fence will come out to the middle of Front Street on the south side and back to the backside of the sidewalk to the top of the slope where the canal is.

Mr. Katz asked they will close off the sidewalk where people cannot walk along lake side?

Mr. Smith stated yes. They are going to try to open the sidewalk on the other side of the street. They are going to be closing that sidewalk for a period of time. I do not think it will be three months, but during their heavy impact, which will probably be a month and at that point they will try to open that sidewalk as soon as possible.

Mr. Katz asked what is the reason for them having to go beyond the sidewalk?

Mr. Smith stated because the hole is going to be large. It will probable be 25 to 30-foot deep.

Mr. Katz asked are they going to dig into the sidewalk?

Mr. Smith stated no, but they are going to have equipment there and they will be laying down concrete and pipe, therefore it would not be safe for pedestrians to walk that close. There will be a de-watering pump there and it will be a little messy there for quite sometime.

Mr. Katz asked they would be able to walk up to the fence on one side and have to go around it?

Mr. Smith stated no, we will close the sidewalk down at the intersection of Mulberry and the intersection of Sycamore. There will be "sidewalk closed" signs so people will not come down that way; they will be able to cross the street and come down the sidewalk the other way.

Mr. Katz are they going to put a fence all the way around or just a sign?

Mr. Smith stated they will use construction fence as well.

Mr. Katz asked there will be a fence all the way down the entire sidewalk?

Mr. Smith stated no, they will have a fence that goes down the center of the road and comes back up the road. The pedestrians will be directed across the street.

Mr. Katz asked for three months?

Mr. Smith stated I am hoping it will be sooner.

Mr. Katz stated they told us a week.

Mr. Smith stated it was two weeks for heavy impact. Once they get the hole dug and they get it all backfilled and pour the sidewalk, people will be able to walk down the sidewalk. It is the period of time that they are going to dig that deep hole, de-water and then set the lift station. Once the lift station is set and they get that all backfilled, the impact is going to be much less and then they are only cutting in small areas and laying pipe.

Mr. Katz stated there is a big difference from what we heard. Three months was just an estimate.

Mr. Smith stated the entire project is three months; from the time they start and finish, after everything is cleaned up and sodded.

Mr. Katz stated the area that they are going to be fencing in is not just the area where they are going to put the lift station, right?

Mr. Smith stated there will be pipe, crews working, the de-water system will be in there and a de-watering pump.

Mr. Katz asked we will lose a lot of parking on Front Street?

Mr. Smith stated about 20 spaces for the two-week period of time they are going to have heavy impact and they will probably give us back a few more spaces, but I would say it will be for two to three months, which is basically what we have now.

Mr. Katz stated so basically Front Street will be closed to parking.

Mr. Smith stated that is not their goal; they want to leave as much of it for parking as possible.

Mr. Quinn asked the repairs to Celebration Avenue, they are going to do one side at a time in each of the zones and it is a mill and repave?

Mr. Forbes stated no; the first part is to repair the settlement of the road around the manholes, which is the first half. The entire intent was to maintain two-way traffic. This could be a one to two day effort, but we are planning a week in case of rain.

Mr. Katz asked how do you plan to have two-way traffic or even to close off half the street? Will people go along where the parking is and look all the way down to make sure there is no parking?

Mr. Forbes stated there will be no parking.

Mr. Katz asked have you looked all the way down to make sure there are two lanes from one area to the other?

Mr. Forbes stated yes. There is 24 feet from face of curb to face to curb.

Mr. Katz stated you are going to make the repairs to these manholes first or are you going to do that as part of the process while you are doing the street as well?

Mr. Forbes stated just the manholes in the center of the road. The intent is to do one side of the road and then the other.

Mr. Moyer stated the manholes themselves have been repaired; now we are talking about doing the road around the manholes.

Mr. Katz stated so instead of just repairing the little piece around the manhole, they are going to repair the entire road, do half the road at a time and go all the way through the four zone, so is there eight zones total or two zones on one side and two on the other?.

Mr. Forbes stated four zones are currently planned and each zone is split in half.

Mr. Katz stated are you going to start at East Lawn or Artisan Park?

Mr. Forbes stated the current plan is to start on the north, but we are going to engage the contractor to make sure that their crews are informed of the sequence of work and the priorities.

Mr. Katz asked which is north?

Mr. Smith stated East Lawn.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being no report, the next item followed.

B. Engineer – Discussion of Artisan Park Town Homes Phase 4 Plat

Mr. Vance Carper stated we are requesting approval of the Artisan Park Town Homes Phase 4. It is the fourth in a series of five plats that we started back in 2001, which set aside these tracts for Town Homes. They have been replatting for approximately a year since they platted the first phase. This is similar to the one that you just approved last year about this time and we are not dedicating anything to the County or the CCDD and we are not getting anything from the County or the CCDD. This is strictly to acknowledge that there is a special assessment lien on the property that the CCDD does hold.

Mr. Katz asked the first three you sent through our prior attorney?

Mr. Carper stated yes.

Mr. Katz stated I want to at least look at it and I suggest you get with the attorney.

Mr. Basque stated a copy of this is in the agenda book today, which I just received this afternoon. I had a chance to take a quick look at it and the only thing that caught my attention was a space in the joinder and consent block that needs to be closed up and I am not sure if something is missing.

Mr. Carper stated I think it is just a space.

Mr. Katz stated these are things that you should be able to have a chance to review and not be presented the day of the meeting.

Mr. Carper stated I just want to understand the process. We submitted the plat and request for the last meeting and at that time the request was not put on the agenda and there was request at the meeting as to what it was about and I explained it the same way I did just now and the attorney took possession of the plat at that point and had an entire month to review it. I would like to know what I am supposed to do at this point.

Mr. Katz stated I asked for you to get with the attorney and give him the information he needs to be able to review it. Did you send him any information?

Mr. Carper stated it was included in the agenda package and it was given to them at the last meeting.

Mr. Basque stated I received an email of a copy of the number three plat and that is the other piece of information I have. I did not have this one until midday and I did not have a chance to review it.

Mr. Carper stated I understand that Mr. Basque did not get the plat for review and did not get the package until a day or two ago; however, the package was given to the attorneys when the regular agenda package was sent.

Mr. Katz stated we have not had a chance for you and the attorney to get together. I do not really want our exposure to legal fees to be there until we know that our attorney is going to be paid for items that are developer-related. Since there is no bond money available for you to have your client authorized to pay, I would like for you and your client to make arrangements to make sure our attorney is paid upfront before he has to spend time reviewing things. We have a bill now from Hopping Green & Sams that we either have to pay or St. Joe will have to pay and we have to ask for reimbursement and I do not like that procedure; I think St. Joe needs to pay those upfront. That is the Board procedure and I am trying to lay out what I consider to be the proper procedure. You said this is four or five, but yet the first time we ever heard about it was on our agenda last month and that is not the way we are conducting business. We are asking anybody, who wants to provide us with an agenda item, to give us a month's notice so we can decide which agenda it goes on and we will also be aware, once it is on the agenda, everybody has had a chance to look through it, since it was a surprise item. I am trying to give you the procedure to work on for that purpose and we are no longer in the process of just signing things because you tell us to.

Mr. Basque stated I hope that was not the case previously.

Mr. Katz stated I do not think it was; Ms. Stuart had several months to look at plats because over the last couple of years I have had a chance to ask her at meetings what she was working on and she would tell me and it would be two to three months before it would come up on our agenda. I think it is your responsibility to bring our attorney into the loop a lot earlier, after you go through Mr. Moyer.

Mr. Carper stated I understand your opinion on that. I was involved in every one of the other ones within the same timeframe all along. I am just requesting what you specifically want me to do now. I have requested this to be on the agenda and it is on the agenda tonight. I understand that your attorney has not had a chance to review it, for whatever reason. If you would like for me to get with the attorney I do not have a problem sitting down to get this resolved and I do not mind getting with my client and having them reimburse you for his time to review the plat.

Mr. Katz stated I think that would work for the next time we review it, but you have a fifth one you want to do and you need to do it a little earlier in the process and alert Mr. Moyer that this is the timeframe we are looking for to have our plat approved and go back three months. He would come to the meeting and say St. Joe is requesting the opportunity to present another plat, we would authorize our attorney to work on it, they would give us an update at the next meeting and we would then approve it. Work back to the point where we have a chance to have our attorney work on it, they give us an update and then we put it on the agenda for approval. If it is a two-month process that will work also, but you cannot get it approved at just anytime.

Mr. Quinn stated I have only been involved in one of these, which was the one last year, plat #3. It was originally presented at a workshop and we had this discussion when we were at the workshop and there was time between the workshop and the next Board meeting for the attorney and everybody to get together to do all the things that needed to be done.

Mr. Carper stated that all happened in less than a two-month period.

Mr. Katz stated I think Ms. Stuart had already seen the others, but now we have new attorneys and they need to be involved in learning what we are doing and you have to give them the benefit of that opportunity.

Mr. Carper asked what kind of timeframe are we looking for?

Mr. Katz stated it is up to you to get with them and work out a schedule.

Mr. Carper stated if I get with him and get this resolved, are we talking about being able to get it on the agenda for the following meeting?

Mr. Katz stated I am not going to commit to anything until I know that it has all been done.

Mr. Carper stated I am asking the question of, if he approves this and is comfortable with it.

Mr. Katz stated they will tell us when they are comfortable with it and then he will put it on the agenda.

Mr. Carper asked when he is comfortable with it, what is the timeframe for putting it on the agenda?

Mr. Katz stated he might have numerous questions or he might have one. He is our attorney who will represent us and when he tells us he is comfortable and recommends that we approve this legal document that is when it goes on the agenda.

Mr. Basque stated based on my taking an initial look at it, I do not think it would be an issue to have it on the next agenda if that is the timing you are looking for.

Mr. Katz stated there is some history that I want you to be aware of about the first plat, which had parts in it that we were paying for and should not have. I want you to have the opportunity to review this plat in your office and be comfortable with everything.

Mr. Basque stated I have what I need to do my review, now that there are arrangements for payment of the fees.

Mr. Carper stated my direction up to this point is to get with Mr. Basque and answer any questions he has to be able to be comfortable with this.

Mr. Katz stated he will ask you for what he needs, the first three plats and why they were done. I think you should give him all of the history so he can prepare for plat #5 as well.

Mr. Basque stated bring me the ones a little larger than plat #3 that you sent me by email.

C. District Representative

Mr. Forbes stated last month Mr. Moyer provided the status of the repairs of Celebration Avenue and I want to report from the Enterprise CDD meeting that bids were successfully received last week and award is pending to commence the road repairs of Celebration Avenue later this month. In support of that, the Enterprise CDD has prepared and will issue communications to the affected residents. The repairs have been set up in four zones, spanning over a six-week construction window. Those communications will be updated to all the affected residents that on street parking along Celebration Avenue will be restricted.

TENTH ORDER OF BUSINESS

Supervisor Requests

Mr. Crow stated I think we need to discuss an email I received, which I will read and give you the opportunity to discuss.

Mr. Quinn stated before you do that I would like to make a statement.

Mr. Crow stated no, I thought this was my time.

Mr. Quinn stated you might want to take a look at the statement in the email about the privacy provision and the Federal Law.

Mr. Crow stated this was circulated and I received 72 copies as of late this morning and mine has no privacy provision attached to it. It is attributed to you and you are certainly welcome to deny you sent it out. It says, "Mr. Crow suffers from selective memory loss." This deals with an issue of whether Mr. Kelly came in and told us at our December meeting that he was planning on re-opening the DRI. I do not believe that he did, but I did visit with Mr. Moyer this morning and I think we agreed that he did not say he was going to re-open the DRI at that time?

Mr. Moyer stated I just received a copy of those minutes before the meeting started, so I am perusing as we are speaking.

Mr. Quinn stated I believe he said that they were in the process of doing the permitting on that and they were planning on permitting sometime in the February/March timeframe.

Mr. Katz stated I remember him saying that the only reason he was going for a DRI was because he wanted to add permission for churches to have Columbariums and he had representatives from the Presbyterian and Catholic church in the room if we had questions and that there would be notices posted of a public hearing with respect to that. That is all I remember him talking about regarding the DRI process.

Mr. Crow stated I was equally alert to that as well. I will finish reading the email; "Mr. Crow suffers from selective memory loss. After the session I attended in early January with TCC, I ask Matt Kelly to come to our next CCDD Board meeting and do a complete overview of all their plans for upcoming development, including Celebration Boulevard. Matt did a complete review of everything that had been discussed at the various meetings and a lot of things that were not discussed at our January 2006 Board meeting. It is all in the public record and Mr. Crow was at that meeting; apparently, he just does not recall it too well, but I guess the truth does not make as much good copy. I find it disturbing that Mr.

Crow feels that the unfortunate fact my opponent withdrew in the CCD elections at the last moment, making me run opposed, somehow taints my election to the Board. I guess he does not read Florida law either and quite honestly I find this very disappointing, I thought he was a more honorable man than that, apparently I was wrong about that.” Then Jeff Marchel from ISSA gave Mr. Quinn an “Atta Boy,” which was sent out to the same group of people.

Mr. Quinn stated I have no comment.

Mr. Crow stated you should have a comment. Maybe we should clear the air. Do you feel that I have alleged that you are not a legitimate member of the Board?

Mr. Quinn stated you have made that statement at Board meetings; in fact, we can go back to the public record and do a search of the meeting minutes if you like.

Mr. Crow asked what exactly did I say?

Mr. Quinn stated I cannot quote you because I do not have the minutes in front of me, but you said that you were the only publicly elected member of the Board and that you received an overwhelming mandate by the people and you went on forever with that statement.

Mr. Crow stated I believe I said that I was the only member of the Board, who was elected in a competitive race.

Mr. Quinn stated no, you did not and I am not going to get into a discussion with you. If you want to go back and peruse the public records for the last 15 months, go ahead. I have no further comment on it.

Mr. Katz stated these emails are just not appropriate and I do not understand why we are even doing it; we are supposed to work together.

Mr. Quinn stated you should probably read the entire email from the start because the email was originally sent from Mr. Crow to about 75 people, basically making statements about me that I absolutely disagree with.

Mr. Katz stated the only thing I heard that was incorrect was the December meeting and the reason I know that is because we talked about the Four Seasons property and TCC building the road. I ask him when that ended and he said the end of the calendar year and that is when he came to the meeting and that he was also going to meet in January with Mr. Moyer to discuss opportunities we might have with some of the other land. Did Mr. Kelly have a meeting with you after our meeting in December?

Mr. Quinn stated I will have to check my calendar to see exactly when the date was. It was one of the series of meetings he had and has been having, with members of the community for at least the last six years.

Mr. Katz stated I am talking about the DRI.

Mr. Quinn stated I have never had a meeting with Mr. Kelly related to the DRI.

Mr. Katz stated on the Front Porch there was an email that Mr. Kelly had sent to you, thanking you for breakfast, that you had been involved and it had to do with the DRI discussion.

Mr. Quinn stated the breakfast meeting was a community input meeting, one of several and the one I attended was attended by the pastor of the Presbyterian Church and two of the downtown business owners.

Mr. Katz asked do you understand my question?

Mr. Quinn stated no, I really do not.

Mr. Katz stated it was the first time you heard about the DRI.

Mr. Quinn stated the first time I heard about the DRI was when I saw a posting on the Front Porch from somebody, I think it was Barbara Olsen saying she just got a DRI and a PUD and had no idea what they are.

Mr. Katz stated so he did not tell us about this classification of the land on tract 7.

Mr. Quinn stated what he told us about was all the proposed changes they were going to be making from World Drive all the way up through and including Celebration Place.

Mr. Katz stated not changes; he talked about interests that people had in projects, but he did not tell us he was going to change anything. You heard about senior housing from what I gathered from your comment at the last meeting and that there was a possibility of having a residential project on the other side of World Drive. The first time I heard they were going to be doing residential was at the CROA meeting and we were not aware of it at that point. Mr. Kelly did not tell us that they were going to be preparing a change.

Mr. Quinn stated if you go back and look at the minutes of the meetings I think you will see that he actually did.

Mr. Katz stated if he was going to add residential to the commercial piece of property I would have heard that and he did not say that.

Mr. Quinn stated you need to go back and look at the minutes.

Mr. Crow stated did you know about the DRI?

Mr. Quinn stated I told you I am not making anymore comments on this subject. Is there anything else that you would like to have as a Supervisor Request?

Mr. Crow asked did you use our attorney for personal reasons? That was reported in the Independent.

Mr. Quinn stated that was reported incorrectly. I had no occasion where I ever used District staff, District counsel or any District resources.

Mr. Crow stated let us go through the minutes.

Mr. Quinn stated when you get the correct minutes as opposed to the draft minutes, you will find that the minutes were changed because it was in error and it was made by the Recording Secretary who mistyped it.

Mr. Crow stated what error was made?

Mr. Quinn stated read the final minutes; I have no idea what you are talking about.

Mr. Crow stated it was at our meeting back in July of last year.

Mr. Quinn stated the statement that I made, which was incorrectly transcribed in the draft of the minutes was changed in the final version of the minutes, which is the official version, to be correct.

Mr. Crow stated but you said at the meeting and I remember it and Mr. Morton, as well as my wife wrote it down, you said, "On the advice of my attorney," but you came back and changed the record to, "on the advice of Ms. Stuart" and it confirmed that Ms. Stuart had given the advice, which indicates that you may have used our attorney for your own purposes.

Mr. Quinn stated I would like to keep the meeting going with something that has to do with the District.

Mr. Crow stated when you are circulating email that says, "I thought he was a more honorable man than that," apparently I was wrong about that.

Mr. Quinn stated please hand me the email.

Mr. Crow asked is that your email?

Mr. Quinn stated it is amazing that the three-page email that preceded that is not attached.

Mr. Crow stated I am showing you what I received. Did you write it?

Mr. Quinn stated yes.

Mr. Crow stated I do think this has something to do with the CCDD.

Mr. Katz stated I am still very concerned about the use of public funds to pay for the employer's side of the Social Security and I believe that it is something that the Board needs to address. I believe that in no way the public money should be spent for anything other than just for what the statute says. I think that any check that is written to each Supervisor that would total more than \$200 on the employer's side should not be approved at all. We have had this discussion many times and there is nothing in the check register this time that related to that issue. I do not want to be a party to the approval of the use of public funds more than is provided by statute. I am going to ask that any check made out to a Supervisor that has a \$200 salary amount, be separated in our agenda package and be voted on separately.

Mr. Moyer stated Severn Trent, to their credit, have requested a very good Tallahassee attorney to issue that opinion after meeting with the Department of Revenue. The issue will be resolved and will be applied uniformly throughout the State, based upon that opinion. You can still do whatever this Board wants to do, but we will at least have some guidance.

Mr. Quinn stated back to the statement I made last month when this came up, I will do whatever the State says to do, which is what we should do.

Mr. Moyer stated it is a valid issue and it has been painful going through it and discussing it, but I think it is something that needs to be resolved because there are a lot of Boards out there that are doing it wrong if what you all talked about is correct. It is being addressed and we will share that opinion with the Board.

Mr. Basque asked is that opinion dealing specifically with Statute 190.06 and the \$4,800 under that section and not payments to other types of municipal officers?

Mr. Moyer stated that is right.

Mr. Katz stated is that opinion forthcoming?

Mr. Moyer stated I expected to have something this evening and not having it probably tells me that it is a more complex issue than they first expected.

Mr. Katz asked is that opinion going to be a letter they will give us that we can rely on?

Mr. Moyer stated I will make sure that is true. It will be addressed to Severn Trent, but I will advise them to put verbiage in there that we can rely on that opinion.

Mr. Katz stated attorneys deal with worst-case scenarios and that is how you come up with where your issues are and if you have a Supervisor, who has a day job that he has received more than the wage base for Social Security, which is the \$90,000 amount and he

has a second job or second withholding, he is entitled to receive back as a credit against his income taxes, the excess Social Security that was paid. In effect, that Supervisor in that situation would be entitled to receive more than \$200 in public funds for their compensation because the Board is paying the employer side as well. I do not understand; we had a 1099 issue and then all of a sudden we received a W-2.

Mr. Quinn stated that is not exactly true.

Mr. Katz stated I received a 1099.

Mr. Quinn stated if your total compensation exceeds the Social Security maximum, you are not entitled to that portion of the public funds.

Mr. Katz stated 7.35% is Social Security. You put it in out of your paycheck and that means it is coming back to you. We are also paying the other side, which is if you are getting \$200, there is another \$15.

Mr. Crow stated this is clearly an attempt to break the \$200 and we wind up in a situation.

Mr. Katz stated I do not want be a party to that.

Mr. Crow stated nor do I.

Mr. Quinn stated we have an opinion coming from the State and when we get the opinion it will answer all of your questions.

Mr. Katz asked do we have anything on next month's agenda that we are not aware of?

Mr. Moyer stated as part of the budget process I am aware that CROA and the School Board are renegotiating their Joint Facilities Use Agreement for the park area at the elementary school. As I understand it, the school is willing to enter into a ten-year agreement, which means the facilities that would be built there would have a fairly long, useful life. I happen to know one of the members on that Advisory Committee and I think they will be making a request of this Board to consider funding some of those field improvements as we did the first time. That might be a part of the capital budget presentation that we make.

Mr. Katz stated that would be part of our budget process for next year or is that part of the capital budget?

Mr. Moyer stated I would say it is part of the capital budget.

Mr. Katz asked this is for drainage work.

Mr. Moyer stated it is for grading and drainage.

Mr. Katz stated we are not doing any above ground improvements on school property. The last thing I have is that I would like not to have anything on our agenda that we do not know is coming.

Mr. Moyer stated the policy would be that anybody that desires anything from the Board would need to make their request to the Board and you will consider placing it on a future agenda for discussion.

Mr. Katz stated unless we have a continuing project, which we do not have right now where we have to have an amendment or something, I do not see that we should just have a free-for-all of people putting things on the agenda. I like to know in advance what is coming before us. The only thing that I see we need to move to the next meeting is that we know it is within our purview that we have ask staff to work on, is the website, the budget, perhaps the plat and the minutes of three meetings, so there is nothing new on the agenda that would come up except perhaps from the Parks Advisory Committee to present something as part of our budget process, but not taking any action.

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Katz, seconded by Mr. Crow, with all in favor, the meeting adjourned at 8:20 p.m.

Steve Katz, Secretary

Richard Quinn, Chairman