

MINUTES OF MEETING
CELEBRATION COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Celebration Community Development District was held Thursday, July 28, 2005 at 4:30 p.m. at Town Hall, 690 Celebration Avenue, Celebration, Florida.

Present and constituting a quorum were:

Richard Quinn	Chairman
Peter Crow	Vice Chairman
Steve Katz	Secretary
David Stofcik	Supervisor

Also present were:

Gary Moyer	District Manager: Severn Trent Services
Cheryl Stuart	Attorney: Hopping, Green & Sams
Irv Chance	Osceola County Engineering Department
Matthew Forbes	Walt Disney Imagineering
Joe Harless	Celebration Independent
Kathryn Hattaway	Hattaway Consultants
Jeff Marcels	Carlyle Developers
Tabatha Miller	District Manager's Office
Alex Morton	Resident
Brian Smith	District Manager's Office
Gillian Walker	District Manager's Office
Members of the Public	

FIRST ORDER OF BUSINESS

Pledge of Allegiance

Mr. Quinn led the *Pledge of Allegiance*.

SECOND ORDER OF BUSINESS

Roll Call

Mr. Quinn called the meeting to order.

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

THIRD ORDER OF BUSINESS

Public Comments

Mr. Alex Morton stated the last report regarding parking showed the parking scheme for the whole town, but the maps only showed parking for the downtown area.

Mr. Quinn stated we did not word the request the way we thought we did, so we received a report with more data than we wanted. We just wanted the parking count for a very small piece of the area. We will present that update under the District Manager's Report.

FOURTH ORDER OF BUSINESS

Approval of April 22, April 28, May 26 and June 9 Meeting Minutes

Mr. Crow requested to table the minutes from April 22.

Ms. Stuart will provide a list of typographical corrections to staff for the remaining meeting minutes.

On MOTION by Mr. Katz, seconded by Mr. Stofcik, with all in favor, approval was given to the minutes of the April 28, May 26, and June 9 meeting minutes.

On MOTION by Mr. Katz, seconded by Mr. Stofcik, with all in favor, approval was given to table the minutes of the April 22 meeting.

FIFTH ORDER OF BUSINESS

Consideration of Proposals for Webpage Services

Mr. Quinn requested to table this agenda item to the next meeting so that staff can prepare a recommendation.

On MOTION by Mr. Katz, seconded by Mr. Crow, with all in favor, approval was given to table consideration of proposals for webpage services until the August meeting.

SIXTH ORDER OF BUSINESS

District Manager's Report

A. Financial Statements

Mr. Moyer reviewed the financial statements for the month of May as provided in the agenda package and available for review in the District Office during business hours.

B. Approval of Invoices

Mr. Moyer reviewed the invoices as provided in the agenda package and available for review in the District Office during business hours

On Motion by Mr. Katz, seconded by Mr. Crow, with all in favor, approval was given to the invoices as presented.

C. Discussion Regarding 2006 Fiscal Year Schedule

Mr. Katz corrected the day of the meeting schedule from Wednesday to Thursday, consistent with when the Board has normally been meeting. Mr. Katz suggested moving some

of the meetings to the evening during fiscal year 2006 to make it more convenient for the public to attend meetings with agenda items of interest to the public.

Mr. Quinn suggested the Board members check their schedules for each of the meetings to be sure they can attend.

Mr. Moyer recommended tabling approval of this agenda item since the meetings do not need to be noticed in the newspaper until September.

Mr. Katz asked if the Board wanted to change the week of the meetings from the fourth Thursday, will financials from the prior month still be available?

Mr. Moyer answered the closer to the beginning of the month the Board meets, the less likely financials will be available. Meetings should be at least the second or third week of the month.

Mr. Katz stated two meetings each year are during the third week because of November and December holidays, so meeting the same week each month will provide for a more consistent schedule for Board members and staff.

Mr. Moyer recommended discussing this item at the August meeting.

Ms. Stuart reminded the Board that the annual schedule must be published and if a meeting is canceled or moved, that meeting is noticed separately. Florida Law requires only that an annual schedule be published, but the Board can choose any dates they desire for that meeting schedule. If the Board wants to have some workshops, those are noticed individually if not provided on the annual schedule.

D. Update Regarding Tree Selection for Longmeadow

Mr. Smith indicated staff has received preliminary drawings for Longmeadow. The District is responsible only for trees in the rights-of-way and there will be two trees per lot as requested by the homeowners. They will be nuttall oaks, which are the same as the trees on Greenbrier between Starling and Westpark. They are hearty deciduous trees and are very nice trees. There are shumard oak trees, which are similar, on Honeysuckle, to give you an idea of what these trees will look like in ten years. The overall plan is still a draft at this point and there may be minor changes. This plan will go to the homeowners through Pat Wasson, and Mr. Smith will work with Ms. Wasson during the installation process.

E. Update Regarding Downtown On-Street Parking

Mr. Smith reviewed the parking count on streets from Mulberry to downtown, shown in yellow on the handout, north and south of Celebration Avenue.

Mr. Katz requested information for downtown that are public parking areas, not the part of downtown on the brick pavers.

Mr. Quinn stated the original architectural plans for downtown showed approximately 15 herringbone parking spaces, about nine of which were in front of Town Hall and six were in front of the bank. Why were those spaces removed? And is there an opportunity to regain those parking spaces?

Mr. Forbes answered there was an interest to add parking, and that area was identified from a design perspective. Application was made to the County, and approval was secured from the County. After that point, the decision to proceed was stopped. The spaces were approved by the County only on the Micro-CDP. There are many follow-on permits that will be required. During the Micro-CDP process, staff advised several technical matters that will have to be dealt with and the applicant agreed to deal with those at the appropriate time, which never happened. Mr. Forbes recommends that there not be any locking in of those numbers at this point without more feedback from the County and final design.

Mr. Quinn asked if anything exists prohibiting the District from going back to the developer and the County to request that issue be revisited.

Mr. Forbes indicated the District can make that request, understanding that affected landowners and those with easement rights will need to be satisfied in order to proceed.

Mr. Quinn suggested that since downtown parking is at such a premium, the Board should consider implementing those parking spaces.

Mr. Katz indicated that the process for those parking spaces was stopped from being pursued at the County level. The previous engineers, PBS&J, showed the spaces on the map we received last month because they were part of the original plan. The road is a County road, but the piece in front of Town Hall is owned by Lexin, so we can ask if they will maintain those parking spaces.

F. Update Regarding Establishing a Parking Study Committee

Mr. Moyer indicated that due to scheduling conflicts, the committee has not yet been formed but staff will continue to assemble interested parties for the working group.

Mr. Quinn shared a community concern that the connector between the two pieces of Celebration Boulevard potentially will not be built. It is important for the District to understand the ramifications of the alternatives. If that connector is not built, then the traffic

and parking situation downtown will get worse. The District may not have the authority to influence that decision, but the concern is for downtown parking.

Mr. Moyer suggested a traffic study to quantify that information.

Mr. Forbes identified the timeframe for the next scheduled traffic study, which is when the next phase of development matures. A qualified traffic consultant provides the study and is hired by the applicant of the Development Order which has been submitted to the County for review of the methodology. There has been a traffic study completed recently and is in the review process with Osceola County.

Mr. Quinn requested that the District maintain the maximum number of options at its disposal to serve the needs of the community as well as having a significant voice in the discussion of any changes of that connector road so that a decision is not made prematurely. Mr. Quinn wants the right-of-way preserved.

Mr. Crow asked you would not like to see Carlyle build on the road?

Mr. Quinn stated I would not like to see anything other than the road if that is what we need to have. That road was designed and intended to be a connector between two major areas in town and that primary use of the road should be preserved until it has been demonstrated to everyone in the community that the road is not needed.

Mr. Katz agreed with that sentiment but also thinks there is room for parks along the road.

Mr. Moyer indicated the District's ability to influence what happens regarding that roadway is limited to the same level as any resident who lives in the community.

SEVENTH ORDER OF BUSINESS

Discussion Regarding Revised Fiscal Year 2006 Budget

Mr. Moyer indicated this item was included on the agenda in the event a Board member had questions or comments on the budget. The public hearing to adopt the budget will be in August at the Board's regularly scheduled meeting.

EIGHTH ORDER OF BUSINESS

Update Regarding Carlyle Exchange Agreement and Easement Agreement

Mr. Katz said everyone has received a copy of the agreements. I suggest we follow the minutes as to what the proposal was, as provided in the May 26 meeting, beginning on page

18. I asked Ms. Linnan to restate “option three,” and she said “Carlyle would give the District non-exclusive easement rights for the church parcel and the Stetson parcel. She said within those easements, the District would have the authority to enforce the maintenance of the parking area against Carlyle or the successor. She said Carlyle would also give the District ownership of all on-street parking. She said the attorneys would draft a memorandum of agreement to be brought back to the District at the June 9 meeting for the Board’s approval...Mr. Katz said Carlyle would also request the ‘right in, right out,’ and Ms. Linnan confirmed.” With respect to the easement, I want to bring you back to page 11 of the May 26 minutes, in the middle of the first full paragraph, where it says “Mr. Katz asked whether Lexin’s easement would be the same as the District’s in terms of public use of the property and Mr. Hemple confirmed.” Now go to page 12 at the bottom where it reads, “Mr. Katz asked what the Lexin easement states. Ms. Linnan said Lexin’s easement is for public parking. She said because there are only two parties to the easement, it could be changed. She said if the District has a non-exclusive easement, the two other parties could not decide to change the use of the easement without an agreement with the District. Mr. Katz clarified that by granting the CDD an easement, the District could protect the public’s right to park in that area. He asked whether the easement would be over the whole parking area or a limited section of the parking. Ms. Linnan said the easement would be for the whole parking area.” The last concept I want to be sure we understand is shown in the June 9 minutes, page 3. “Mr. Katz asked for a copy of Lexin’s easement agreement. Mr. Hemple suggested executing one easement agreement between Lexin, Carlyle Developers and CCDD. Mr. Katz agreed that would be a good solution. Legal Counsel for Carlyle Developers said he will send the Lexin easement to Ms. Stuart and Mr. Katz. Mr. Katz stated he would like to be sure any successor would also maintain the same maintenance obligations as documented in the easement agreement.” The way this is presented, all the points that we discussed that we are imposing are in the documents that are to be delivered by their subject matter. I will review the exchange agreement with you and review the different points, which is primarily the first couple pages. The second line in the exchange of parcels is where we will give to Carlyle tract 135, which is called the CDD parcel, and they will give to us all the land that they are using on their property to make parking on Sycamore and on Campus Streets, which are the Carlyle parcels. Number two is the parking easement rights. They are going to be executing two separate

parking easements. The Stetson tract has 99 spaces and the church property is supposed to be the same as Lexin's easement. At this point, we are being told there are a minimum of 51 spaces. Our easement rights will be the same, but that easement had the number 32. I received the Lexin easement two days ago, which showed 57, but the parties for Carlyle told me that they will have to amend that agreement to bring it to 51. They agreed that we will have the same number as Lexin will have, what they call uncovered parking, which is the surface parking and not the garages. There are some numbers that will be changed in the final document. Today, the exchange agreement will be signed and it provides a roadmap for how everything else is done. The exchange of the deeds are done at closing, along with the parking easements. The "right in, right out" has a name called "access restriction agreement." The idea behind that is simply the access to the area off Celebration Avenue be restricted to "right in, right out." The Carlyle folks would like for us to be sure that they get County approval for a No Left Turn sign or whatever other signage is necessary to implement that. There are other contingencies that are not document oriented. In terms of an easement, there are documents to be produced. We have already received an appraisal that the land that we are giving is no greater value than the land being received. That meets the contingency that the Carlyle parcel meets or exceeds the value of our parcel. There is also the requirement that the actual parking lots themselves have received completion approval from Osceola County. Before we surrender our deeds and they surrender their deeds, we will wait for the use of that parking lot to be made available to the public. The reason for that is to make sure that the improvements have met with Osceola County approval. We also requested a survey to be prepared and as-builts of the parking lots so that we know that the easement description is built as the survey says it is. We also asked that since the Enterprise Board was involved in the transfer of the lift station, that they approve the transfer of the lift station and approve the sale of our land that the lift station is on so that they are involved in the process. They probably have their own documents they need, but our role is to receive their consent to the transfer. We have set a closing date when all these documents are supposed to be surrendered to First American Title Insurance Company, which is the title company that does all the work here for the homeowners and Disney property. They are familiar with this land and the transfers. That is where all the documents will be delivered once the items of the contingencies have been taken care of. The items that are non-document direction items include the Osceola County approvals. The

documents are attached but are not signed. We will each deliver our deeds and there are certain representations that we have received. All of the documents that have been reviewed are closing documents. Carlyle has agreed to pick up the out-of-pocket expenses for attorney and engineering fees, which will be a continuing obligation after today because there might be additional work up to the closing. We are moving forward. Page 6 is the actual consent that we will be receiving from Enterprise CDD that they will agree to the transfer of the property that we will be giving to Carlyle. Exhibit A is a legal description of the Carlyle parcels on Sycamore and Campus Streets. Exhibit B is our legal description of tract 135, which is a platted tract, and we will also be getting the survey for that tract. The improvements of the parking lot are shown on Exhibit C, which shows all the parking spaces on the road next to those parcels. There are two separate condominium associations: the Town Hall church site is called the Carlyle Residents at Celebration Condominium Association—they do not want to add the word “south.” In this part of the easement, the only parties that I am aware of are those that are attached to the back, which are the deed holders and Lexin has an easement on the other one. Lexin has a recorded easement, as well, on the other parcel, which is referred to as an extension. The parking spaces, as I understand, will be no less than 51.

Ms. Stuart stated the way it was written was “Grantor shall at all times maintain all non-covered surface parking spaces on the easement property.”

Mr. Katz stated that is correct, and we discussed the numbers 32 and 19, which totals 51. The numbers are supposed to be the same as the Lexin easement. I asked them to give me a number.

Ms. Stuart stated it is not on this easement.

Mr. Katz stated it should read “no less than 51.” Because we now have a three-party agreement among Carlyle Developers, the condominium association, and the CDD, the easements will flow through to the condominium association by name but they will also flow through everyone’s successors and assigns, regardless. We also added the ability to enforce the maintenance, and we have six pages of guidelines that the CDD uses for that purpose. The way that is enforced is that they have 15 days to handle any maintenance themselves unless they receive a written notice from us. If they do not perform the work, then we have two options. One is to go to court, which is the harder way. The easier way is to do it ourselves and bill them for what we have incurred. If they do not pay that amount in 15 days, then we will

add it to the maintenance assessment that we already have as a lien on their property. This document will be recorded and there will be an acknowledgement by the condominium association about that easement. That is the essence of the parking easement for the church site. It is the same easement with the same wording on the Stetson parcel, which is Carlyle Residents South Condominium Association. The only difference that I saw was there was a reference to the Stetson easement, which will be peculiar to that land. The next document is an acknowledgement by Lexin who holds the easements. We will be receiving under Exhibit E a special warranty deed from Carlyle for those spaces and they have attached several pages which is basically the history of the development of that land. Finally Exhibit F shows the terms of the agreement with respect to the proposal, the access restriction agreement. We have asked that this also be a three-party agreement so that there is no question about the condominium associations being aware of this. The access restriction is basically a “right in, right out” restriction. They have asked that we add language.

Ms. Stuart stated on page 2 of Exhibit F, section 2 at the top where it says “Development Restrictions” and reads “in conjunction with the development of Parcel C,” and insert “and subject to all required applicable Osceola County approvals” and the rest of the paragraph reads as is.

Mr. Katz stated that language gives them the feeling that they cannot agree to do something without the higher power of Osceola County saying it is ok, which we all understand. I have no problem adding that language subject to Osceola County. Staff has asked that the actual construction “right in, right out” be curbed so that as you drive out, there will be a curb. A portion goes to the right and to the left, and as you drive from the south into the parcel, there will be a curb that turns in. Carlyle was concerned whether or not the County, including the fire department, will have some comments on the size of the curb or whether or not it will exist at all. By having that language, “subject to Osceola County approvals,” I think that covers the Osceola fire department. I also want to be sure the record reflected that the idea was to have a raised curb. We have received a confirmation email from their lawyer in that regard. The last item is our quit claim deed for tract 135, which is the same quality of deed that we received in years past when tract 135 was deeded to the CDD. That is the list of documents to be implemented in terms of all the different steps. This is the charge that I was given, to report back. I am satisfied that I have met my burden of getting the structure of the

documents in accordance with the proposals that we received. There is no motion necessary to approve the documents, but I am happy to answer any questions.

Mr. Quinn asked will the documents with the changes, any of the changes, prevent us from signing them and the documents being executed at this point?

Ms. Stuart stated none of those changes will prevent the execution. The only one that was not in the hand-written piece was the number. We talked about it in the hallway, but that was the only word not shown on the pages included in what was distributed to you. There is nothing to prevent us from signing these documents.

Mr. Crow stated I believe we passed this in preliminary form on May 26 and the Board passed this on June 9. You may want to wish to discuss why it took so long to get back on this.

Mr. Katz stated lawyers have styles of doing things. My style is that I like to see everything in front of me before I am satisfied. I think that the style that the Carlyle lawyer had was to prepare documents and those documents have a life of their own to be drafted. It took a lot longer simply because I felt like my charge as a public servant and not as a lawyer was that I wanted to know that everything we talked about was, in fact, in front of us to be approved. There were vacations involved, also.

Mr. Stofcik asked is Carlyle required to submit another document to the County showing the raised curb? Will we get a copy of that?

Mr. Katz stated I think we should get a copy of that.

Mr. Stofcik stated I agree, we absolutely should.

Mr. Quinn asked would Mr. Moyer let me know when they have signed that so we can move forward with the rest of the process?

Mr. Moyer stated yes.

Mr. Quinn stated I have been through this process on a number of occasions and no matter how difficult the process, it always turns out to be more than you could have anticipated. I really appreciate, on behalf of the Board, all the work you have put in on this. When a document comes out and you have to weigh it rather than count the pages, it is not an easy thing to go through. Thank you.

NINTH ORDER OF BUSINESS

**Update Regarding Exchange of
Park Deeds with CROA**

Ms. Stuart stated the District has signed the deeds and they are in Ms. Wasson's office. The President of CROA is supposed to come in this afternoon or tomorrow to execute documents, and we should have them by Friday or Monday.

Mr. Quinn indicated he has not signed any deeds and requested staff to follow up.

Ms. Stuart indicated there are no issues with the deeds except the process has been held up due to vacations and schedules.

TENTH ORDER OF BUSINESS

**Update Regarding Resolution to
Name Lake Rianhard**

Ms. Stuart indicated staff is waiting for information from the resident who has been working on the substance of a Resolution, which we have not heard anything from. They have raised the funds for a sign.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Stuart provided an update on the alternative proposal for attorney fees, which was distributed to the Board. This proposal will be included on the August agenda for the Board's approval.

B. Engineer

- **Update Regarding Roadway Acceptance**
- **Update Regarding Beak Street Repairs**

Mr. Moyer indicated the engineers are attending another meeting and are not available to provide an update at today's meeting.

C. District Representative

There being nothing to report, the next agenda item followed.

TWELFTH ORDER OF BUSINESS

**Discussion Regarding August 10
Construction Project Workshop**

Mr. Moyer indicated the Board typically holds workshops on the second Wednesday of the month.

Mr. Katz indicated that the purpose of the workshop is to look at the monies that were brought in from the refunding of the bonds and allocate a timetable of how the Board wants to have those monies available for projects we know about. One of the functions that the trustee performs for our bond issues is to invest the monies that we have, knowing that whatever we

decide in August, the bills will be coming in for 30 days. Mr. Katz asked Mr. Moyer to request the trustee to invest all the monies that were received, about \$2 million, into the Treasury Bill that will mature at the September meeting. Then the money will be invested while the Board decides what to do with the money. One of the things the Board wants to do at the August meeting is look at a schedule several months or a year out. Staff can assist the Board with that process to identify what some of the expenses will be and when they are anticipated.

THIRTEENTH ORDER OF BUSINESS Supervisor Requests

Mr. Smith introduced Irv Chance, from Osceola County Engineering Department.

Mr. Katz asked if Mr. Chance would be involved in the “right in, right out” process.

Mr. Chanced responded he would not, but it would be the traffic engineer and possibly the zoning staff.

Mr. Quinn asked if there is a maintenance schedule for the restriping and refreshing of roadway surface markings on County roads? Celebration has many surface markings that have worn off.

Mr. Chance responded he was not aware of one, but he will check with the road and bridge department, who handles those work efforts. He will respond to Mr. Smith regarding any such schedule.

FOURTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Mr. Katz, seconded by Mr. Crow, with all in favor, the meeting adjourned at 5:30 p.m.
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Steve Katz, Secretary

Richard Quinn, Chairman