

Sun 'n Lake of Sebring Improvement District

Annual Landowners Meeting

Friday, January 28, 2011

MINUTES

The Annual Landowners meeting of the Sun 'n Lake of Sebring Improvement District was held Friday, January 28th, 2011 at the Community Center, 3500 Edgewater Drive, Sebring Florida.

ORDER OF BUSINESS:

Board President Dave Halbig called the meeting to order at 9:08am and District General Manager, Michael Wright, acknowledged a quorum was present. Approximately 41 people were in attendance. A request for nominations for chairman was made.

Mr. Frank Guglielmi moved to nominate Dick Diotte as chairman. Mr. William Jackson moved to nominate Mr. Tom Kosty; Mr. Kosty declined the nomination.

Rusty Carino, resident, asked if you can make a motion from the table to nominate, he thought it had to come from the floor? Mr Guglielmi reminds the audience the Regular Board of Supervisors meeting is adjourned, therefore, he speaks like any other landowner. President Halbig states the nominations are now open, everyone present is a landowner, are there any more nominations?

Mr. William Jackson nominates Rusty Carino; Mr. Carino declines the nomination. President Halbig asks if there are any more nominations, there were none. Motion to elect Mr. Dick Diotte as Chairman; 2nd by Rick Hulbert. Mr. Dick Diotte was made chairman by acclamation.

President Halbig then passes the gavel on to Mr. Diotte who takes his place on the dias.

Nominations for Secretary for the Landowners Association. Mr. Joe Eck motions to nominate Jane Fry as Landowner Secretary. Chairman Diotte calls for any other nominations. Motion to close nominations was made by Mr. Rick Hulbert; seconded by Mr. Joe Eck. Jane Fry was made Landowner Secretary by acclamation.

Chairman Diotte, in response to Mr. Carino's question, once the Regular meeting is adjourned it becomes a Landowners Meeting. Anyone who owns land can nominate people and make a motion. It is not a Board meeting anymore, it is a land meeting.

Landowner Secretary, Jane Fry, read the minutes of the 2010 Annual Landowners Minutes. Upon finishing the reading of the minutes, Chairman Diotte thanked Ms. Fry and asked if there were any errors or admissions. Mr. Rick Hulbert moved to approve the minutes; Mr. Joe Eck seconded. Chairman Diotte, all those in favor, signify by raising your hands. The motion was accepted and the Minutes were approved.

ACTION AGENDA:

Ms. Val Charapatta from the Landowners Election Committee stated they had nothing to report at this time.

Annual Report and State of the District was presented by District General Manager Michael Wright. The report included the following:

1. Although current economic circumstances have made running a local government very challenging, especially in Highlands County, the District can report they have not reduced services to its residents, have not had to lay off employees, or raise assessments to meet the expectations of its citizens.
2. Prudent decision making by the Board of Supervisors has resulted in the District being financially sound, operating within its means and not having to use its savings account to balance the budget. The District has been able to maintain current service levels while opening a new zero entry pool, children's playground, picnic pavilion, reinstitute the street paving program and install landscaping upgrades to the two main entrances.
3. As a small organization with less than 50 employees, it is to the District's benefit to cooperatively work with our neighboring governments. Talks will be underway with the Town of Avon Park to interconnect water utilities to provide the District with an emergency back-up drinking water supply. If the talks are successful they could lead to other mutual aid agreements in the area of utility maintenance and operations plus the possibility of a cooperative arrangement to use treated waste water for irrigation purposes.
4. We are underway to improve our working relationship with the County Commissioners. Highlands County currently serves the District as it's planning and building inspection department, provides law enforcement and emergency medical services in addition to such county wide services as the library system and veteran's services.
5. The county plans to use one million dollars in State of Florida Transportation funds to resurface Sun 'n Lake Boulevard in 2013. They will also be using some of that money to construct new sidewalks on Ponce de Leon south to Granada Boulevard this year and in the future years.

6. Other items on the agenda for discussion with the County include the maintenance of drainage facilities within the District as well as possibly relocating its new EMS facility within the District boundaries.
7. With the new Recreation Complex open, there will be a wider variety of activities offered from pool aerobics to organized bike rides within the District. We will be taking a proactive approach to community appearance through targeted code enforcement, landscaping enhancements, an upgraded community center as well as continuing the District's street resurfacing program; all to improve the quality of life for the District's residents.
8. Addressed the legal challenges the District faces as they try to resolve the issues with Fifth Third Bank financing of the infrastructure improvements in Unit 16 A and C and the settlement of the Maguire lawsuit.
9. There is every reason to believe the Sun 'n Lake of Sebring Improvement District will be poised to again grow and maintain its position as one of, if not the premier, residential community in Highlands County and South Central Florida.

Motion to accept Mr. Wright's report was made by Mr. Bill Jackson; seconded by Mr. Rick Hulbert. The Landowners Report by the General Manager was approved by a show of hands. Chairman Diotte asks the public if they have any comments for Mr. Wright.

1. Mr. Tom Kosty, if we interconnect utilities with Avon Park would there be any possibility down the road of annexing Avon Park into Sun 'n Lake? Mr. Wright, only if they agree to it.
2. Mr. Joe Eck, When discussing interconnection with Avon Park be sure they do not have a clause in there stating they have the right to annex at any time because they have that in all their connections for water line going up or sewer line going up. I definitely do not want to be in Avon Park. We don't have an election for Landowner's right now, nor in 2012, but we will have one in 2013. The change from acreage to dollar vote has made the voting procedure different. We need to start getting this thing together before the 2013 election. How are you going to count the dollar votes? Will the discounted rate for paying early be counted or will the full assessment amount be counted? Chairman Diotte states, there is a lot of work to be done and we are not in a position to respond entirely to that particular question at this time. At the last meeting, we formed a committee that has to digest that new information. Mr. Eck is concerned there is no election procedure in place right now. Chairman Diotte, the Landowner Committee's job will be to put together the election procedures then they recommend the procedure to the Board of Supervisors. In the event that doesn't get done, I'm hoping our General Manager and District Attorney would be looking at the change in legislation to make sure whatever comes up, we comply with. Mr. Eck also brought up what is the last date a resident can pay the assessment to have their vote count? Mr. Diotte, we have a new committee, they can work on it, the Board hears what you are saying because they are all here. Everyone realizes there is a lot of work to be done, and somebody has to be assigned the task to do it. Mr. Eck expressed his concern for the possibility of a landowner purchasing a

large amount of property, making their assessments higher than other residents, therefore, taking over the vote. Chairman Diotte asked Mr. McClure if his understanding of the three seats elected by popular vote would make it hard for a large landowners to take over the Board? Mr. McClure agreed. Mr. Eck checked with Mr. Palmer of Florida Hospital and confirmed they do not have an emergency water back-up system at this time. He hopes the hospital will take care of their own needs and feels that everyone with a well has a water back-up system. Chairman Diotte, states a well is not a potable water system, which is what the District would be discussing. Mr. Wright stated, under Florida law, the only way that the Town of Avon Park can annex the residents of Sun 'n Lake would be by dual referendum; the citizens of Avon Park would have to vote for it and the citizens of Sun 'n Lake, the District would also have to vote for it. Other than that there is no way to annex. Mr. Eck, feels if they have that clause in there they would have a right without a referendum. Mr. Wright disagrees.

3. Tom Kosty, I'd like to comment a little on the landowner election committee and the discussions we've had. We have the new one dollar vote, the ordinance still says assessment. The one dollar paid is the fine item that goes out on the bill. I assume that's going to be the measure based on the plain language of the ordinance. The other question that has not been answered is, as I recall the discussions with the County, it was stated the most recent bill that was sent out would determine the number of votes. In other words, if a bill goes out in October, even though its not due until March 31st, since that bill was sent out, somebody hasn't paid their taxes yet, maybe they just bought the property, we would be voting on a bill that is not paid. That's something that needs to be clarified as to the most recent bill that has been sent or is it the most recent bill that has become due and has been paid; that will determine where the vote will be given. That's something we think needs some clarification. As you recall, the committee was set up as a landowner committee, therefore, not subject to the Sunshine laws. We've not had access to any legal assistance. We might need that as we prepare what we would recommend. In my mind I think we should submit our recommendation at the landowner meeting next year, what our thoughts are and give the landowners assembled what we've come up with to approve what we come up with before it goes to the Board and before we see if it is approved to go into the policy manual. Hopefully you will give us another year to work on these things. We want to have our thoughts together to present to the Landowners meeting in January 2012. If they approve it we will take it before the Board for their approval. That's where we are at with it. It became a little murky with the change to one dollar one vote. We need to think that through a little more thoroughly. The other things we have to make a part of this, I think the voting at the landowners meeting is pretty cut and dry. Anybody who is eligible to vote by not being delinquent in their assessments, that vote takes place at the landowner meeting. It's not early voting, it's not proxy voting or a write in vote, it's proxy procedure that requires someone to come to the meeting and vote for someone else. That proxy procedure has a lot of leeway in my opinion. We can establish deadlines for getting the proxies approved by the District; we can take care of a lot of the effort and struggle we've had in the past with these proxy

situations. By examining the state's policy with regard to corporate proxies is the guideline. It's possible we may be able to accept proxies by fax, by email, as long as we have a possibility of establishing their authenticity, its allowable by the state statutes. All of that will be a part of our recommendations next year. Mr. Diotte, anyone else, any further questions?

Chairman Diotte asked if there was any unfinished business; there was none.

Chairman Diotte asked if there was any new business, there was none.

Chairman Diotte motioned to adjourn the 2011 Landowners Meeting at 9:31am; Mr. Pat Holmes seconded. The meeting was adjourned by show of hands.

Dick Diotte, Chairman

Transcribed by:_____

Jane Fry, Landowner Secretary

Date Signed:_____