

**MINUTES OF MEETING
LAKE ASHTON II
COMMUNITY DEVELOPMENT DISTRICT**

The continued meeting of August 21, 2020 of the Board of Supervisors of the Lake Ashton II Community Development District was reconvened on Friday, **August 21, 2020** at 1:00 p.m. via Zoom Teleconference, pursuant to Executive Order 20-69, issued by Governor DeSantis, as amended and supplemented and pursuant to Section 120.54(5)(b)2., Florida Statutes.

Present and constituting a quorum were:

Doug Robertson	Chairman
James Mecsics	Vice Chairman
Bob Zelazny	Assistant Secretary
Stanley Williams	Assistant Secretary

Also present were:

Jill Burns	District Manager
Sarah Sandy	District Counsel
Alan Rayl	District Engineer
Mary Bosman	Community Director
Brian Rhodes	Billy Casper Golf
Residents	

The following is a summary of the discussions and actions taken at the August 21, 2020 meeting, and a copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call and Pledge of Allegiance

Ms. Burns reconvened the meeting to order at 1:00 p.m. and called the roll. All Supervisors were present with the exception of Ms. Wright.

- **Consideration of Par 60 Executive Course (Added)**

Mr. Robertson questioned the status of the Par 60 executive course. Mr. Zelazny recalled between six and twelve good ideas to improve the golf course, either through lengthening or shortening; however, nothing would be done to the golf course until October 1. The current focus was to try to get the golf course in the best playing shape,

which Billy Casper Golf (BCG) has done a great job of. They were setting up a Golf Committee made up of representatives from major golfing groups, to look at suggestions, changes and improvements to the golf course. Mr. Robertson did not understand why it was not being done as the Board already agreed to it, there was no cost and there were volunteers.

Mr. Robertson MOVED to approve the Par 60 executive course. There being no second to the motion, the motion died.

Mr. Mecsics asked what BCG said. Mr. Rhodes stated BCG was willing to do any project the Board wanted. The executive course did not have a large price tag; there were volunteers and a lot of bricks. They were setting up a Golf Committee to help prioritize the projects, which were:

- Lengthen the golf course
- Shorten the executive golf course
- Remove the hill on #15 West
- Add shrubs to #16 West to screen the RV park
- Have more beautification projects.

Mr. Rhodes stated it should be included into the budget because some projects had costs associated with them. Mr. Robertson noted the Board should be careful about how the District was spending money. This was a way to keep people involved and playing golf. Mr. Rhodes would have those areas mowed tighter so they were identified. This would be brought to a representative of the Board to see if it could fit into the budget or spread out over future years. The current plan was to make some greens smaller and have new tees, which was expensive. The Golf Committee was supposed to meet the first week in September. Mr. Zelazny explained a Comprehensive Plan would be presented to the Golf Committee. Mr. Robertson wanted to approve this now because it was a good idea and could result in more memberships at no cost.

Mr. Williams preferred waiting until the September meeting, allowing BCG to handle it and to add Wi-Fi to Eagles Nest like at HFC. After further discussion, Mr. Zelazny asked Mr. Rhodes to include as the number one priority to be discussed by the Board. Other priorities were getting the budget under control, have costs associated with it, and

Wi-Fi. There was Board consensus to discuss the Par 60 executive course at the September meeting. Ms. Sandy advised that the Golf Committee was not a CDD committee and recommended volunteers sign a liability waiver.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

Mr. Rayl reported the following:

- The current version of the Yellowstone map was sent to Mr. Zelazny yesterday.
- Provided a report and recommendation, this morning, on the erosion around the end abutments on the bridges. Four bridges in the West were in good condition, but in two locations, rip-rap and Geotech style reinforcement of the corners were recommended. Sod was recommended in nine locations. If those areas were maintained by weed eating instead of spraying, it would help the remaining vegetation, hold the soil, and avoid future erosion issues. It would help keep those areas in better condition and save on maintenance costs.
- Prepared a plan to repair the eroded cart path on Hole #9, which was ready to collapse. A contractor was providing a quote for the repair, re-grading and re-establishment of the cart path. A drainage inlet and pipe will be installed to keep water from running over the cart path in its current condition, which caused the erosion and undermining in that area. This affects Lake Ashton 1 (LA1) more than LA2.
- Attended an hour-and-a-half meeting with the Permitting Compliance Supervisor with the Southwest Florida Water Management District (SWFWMD), yesterday afternoon, about the lake level of Lake Ashton.
- A site visit was performed on the rancher's property at the downstream outfall of the lake. Many exemptions were allowed under the Florida Statutes for agricultural operations. SWFWMD was reluctant to make this a

SWFWMD compliance issue however, Florida Statute 373.406 states agricultural operations would not impede upstream waters. SWFWMD does not feel they can provide enforcement to fix this problem, but the rancher was amenable to fixing the problem, as long as it did not cost a large amount of money. Mr. Rayl would look into creative options with the landowner to improve the outfall and come back to the Board with proposed action plans.

Mr. Mecsics questioned the cost and whether this matter was more germane to CDD II or CDD 1. Mr. Rayl explained the cost depends on the length of the pipe on the farmer's property, but lowering it would cost less than \$5,000. It affected the infrastructure more directly for LA1; However, Rattlesnake Lake outfalls to Lake Ashton and when water backs up, the infrastructure in LA2 was affected. Mr. Robertson felt that spending \$5,000 to help the farmer so the golf course operated, was an inexpensive way to solve this problem. Mr. Mecsics voiced concern about legal costs.

Ms. Sandy had attorneys in her firm that specialized in Water Law that could work on a more efficient solution, but it depends on whether they needed to work with LA1. Mr. Robertson preferred to spend \$5,000 before spending \$100 an hour for legal fees. Ms. Sandy agreed, if the solution ultimately benefitted LA2. The first action was to talk to the farmer to see how much they wanted the CDD to contribute to solve the problem.

On MOTION by Mr. Zelazny, seconded by Mr. Mecsics, with all in favor, authorizing Supervisor Robertson to approve an amount not-to-exceed \$5,000 to work with a farmer to resolve the overflow problem and to work with the Lake Ashton I CDD, was approved.

Mr. Robertson did not foresee LA2 CDD contributing, if the CDD could solve the problem, fix their carts and cart paths. Mr. Rayl reported the following:

- Consulted with Bridge Builders and York Bridge Systems regarding the planks. They provided some specifications for the materials for comparison with the estimate from Todd Warren. They recommended holding off on the work because lumber prices were 70% higher now.
 - Mr. Robertson asked if there was a workable solution. Mr. Rayl replied affirmatively, recommending they wait until lumber prices

were normal. Mr. Zelazny thanked Ms. Bosman and her husband for doing the actual work. Mr. Robertson's initial idea to seal the bridges was a good idea. It provided additional years of life.

- Received an email from Mr. Williams about an additional pavement area, which he will include on District's repair list.
- The report on the condition of the flumes on the golf cart paths was completed. There are 29 flumes that take runoff into the District's stormwater ponds; 15 of which needs to be repaired. It would not always be a large expense. Some could be modified and monitored to see if that solved the problem. There were many that had ends that were broken off, which were replaced with Geotech style and concrete rubble. If they continued to erode, there must be some other solution at a low cost, such as repairing more in a group versus one large repair.
 - Mr. Robertson asked if putting in rip-rap solved the problem. Mr. Rayl explained rip-rap would go in different directions and slow the water down to let soil deposits drop out. Then the soil will start filling in and the rip-rap vegetation would attach to the soil to stabilize the area. Mr. Robertson stated they allowed the flumes to become secondary as opposed to rip-rap, which was primary. Mr. Rayl did not recommend rebuilding any flumes. The solution was to pick up the water in the fairway in an inlet and put in a pipe. Nothing other than what lands on that cart path will flow over the cart path, creating more erosion.
- The Mulligan Lane and Dunmore Drive project should be completed, weather permitting, at the end of next week. The lane closures were supposed to be stopped today. Mr. Rayl was waiting to hear from the contractor. There were some unexpected issues, but overall, the intersection was now improved to handle any storm.

Mr. Williams asked if Mr. Rayl was providing a cost about the repair to the eroded cart path on Hole #9. Mr. Rayl was getting a quote from a contractor and would provide to the Board. Mr. Williams questioned if Mr. Rayl was getting estimates for the bridge

repairs. Mr. Rayl would provide a cost for one rip-rap stabilization and to have five or six completed at one time to both Boards. Mr. Williams asked about the golf course operation when the West was repairing a bridge. Mr. Rayl did not see many locations where there was an eminent risk of a bridge failing; however, lack of care could eventually have an effect on the overall ability to use the golf course.

C. Billy Casper

I. Golf Course Financial Statements

Mr. Rhodes reported, as of yesterday, 84 residents paid their annual fees; 26 were new members and 25 were associate members. There were 49 renewals and nine members downgraded into the associates category. They collected \$276,000, with an average sale of \$3,292 versus \$249,000 that was collected last year with 57 memberships, with an average sale of \$4,386. Currently, \$26,500 more was collected or 11% more in dues. They were approaching crunch time, because the majority of dues being collected was August 28th through August 31st. There were several concerns on renewals. Fifteen were Canadian members; however, the border was currently closed. Several seasonal members were concerned about whether or not they were going to travel down and could still get their discount for early payment. BCG was monitoring it closely. Mr. Williams requested a form for tracking purposes, which Mr. Rhodes would provide.

Regarding the financials for June and July, Mr. Rhodes reported missed budgeted revenues, primarily made up of food & Beverage (F&B) revenues, due to COVID-19. In June, they only missed revenues by \$1,799 and \$7,000 for July. Labor was slightly higher than the budget, based on additional expenses in cleaning and performing some cultural practices on the golf course; however, they were able to make that up by expense savings. The CDD was ahead of budget in June and July; almost \$5,000 in June and a little over \$1,200 in July or \$7,700 for the year.

Mr. Rhodes reported BCG was happy with the root structure on the greens and overall health. The eradication of weeds and goose grass went well and will start filling in. The West greens are probably two weeks ahead of the East. The sodded areas were filling in and could be used for play. They will not be used for pin positions until the top dress and verticut to make them more level. All greens were open. In totality, BCG was

satisfied with the slow but steady improvement of the golf course. The East draining was impacting the CDD. The East golf course was closed 10 days in the month of July, versus the West golf course, which was only closed five days. The District will save \$5,000 by keeping turf from getting damaged. If it was wet, it could be drained back to normal. In addition, the root structure was very low on those holes. Because it's wet, the roots don't have to go down anymore. Weeds pop up more in wet areas. Irrigation boxes were under water, which could short out. Replacement circuit boards cost \$1,200 to \$1,400.

Mr. Rhodes reported their mechanic took early retirement and was searching for a replacement. There was a top dresser that was at the top of the \$2,400 repair and maintenance (R&M) that would be sent out for repair. So, there would be costs to outsource until a mechanic was hired. One was in training right now and Mr. Rhodes did not believe there would be multiple issues moving forward. In two months, a Five-Year Capital Plan would be presented to Mr. Robertson. Some equipment was reaching the end of its lifecycle and would be evaluated. It was the goal to be profitable to cover those capital expenses and hopefully the membership growth would continue. Mr. Robertson suggested leasing. Mr. Rhodes confirmed that BCG was looking at capital leases.

Mr. Williams asked if the \$220,000 the District borrowed to continue operations in June and July, was reflected in the budget. Mr. Rhodes confirmed cash was reflected in the budget and all memberships would defer revenues over 12 months, so it would not look like the District was losing \$100,000 each month. It was reflected in the cashflow proforma. Mr. Rhodes did not know the cash amount at this time, but the District was ahead. Mr. Williams confirmed the District collected enough money to pay back the \$220,000, but it was not in the budget. Mr. Rhodes confirmed money was allocated for next year's budget. The budget that was presented was a break-even and the District must borrow future funds. Mr. Williams asked if the budget showed a shortfall. Mr. Rhodes replied affirmatively. Mr. Williams inquired if the District was under contract to pay this money back by August 30th. Ms. Sandy would double check. Mr. Williams requested theme nights at the Eagles Nest, such as trivia and karaoke, but in a smaller scale. Mr. Rhodes explained there was no consideration, since their efforts were on safety first. Mr. Williams stated if they took reservations and allowed a certain number of people, they should be able to generate additional cash. Mr. Rhodes would discuss this with BCG staff.

D. District Manager's Report

I. Reminder for Residents Regarding Sources for District Information

Ms. Burns reminded all residents that the sources of official District information were the District's e-blast and website. Residents were incorrectly getting information from Facebook or Next-door.

II. Update on Refinancing of Bonds

Ms. Burns reported staff spoke to the Underwriter about refinancing possibilities. Based on the market, a refinancing at this point would cause an increase to the principal amount of bonds outstanding. This will continually be monitored over the next couple of months for a refinancing later in the year.

III. Discussion Regarding Billings for HFC Staff Performing Maintenance at Golf Club

Ms. Burns reported Ms. Bosman questioned James' time that was spent at Eagles Nest and if it needed to be billed to the Golf Club. Discussion ensued and there was Board consensus to accept Ms. Burns recommendation for Ms. Bosman to track monthly and send an invoice to the Golf Club at a rate of \$20 per hour.

E. Lake Ashton II Community Director

Ms. Bosman emailed the Community Director Report to the Board.

SEVENTH ORDER OF BUSINESS

Financial Report

- A. Approval of Check Run Summary**
- B. Combined Balance Sheet**

On MOTION by Mr. Mecsics, seconded by Mr. Robertson, with all in favor, the Check Run Summary was approved.

- **Lake Ashton II Community Director (Item 6E)**

Ms. Bosman checked with residents about having outdoor movies on Friday nights. There would be no expense, but three Magnolia trees on the side of the building must be cut down. The trees were in poor health. Mr. Williams asked where the movie would be projected. Mr. Robertson noted residents would park in the parking lot and watch the movie on the wall of the building.

On MOTION by Mr. Mecsics, seconded by Mr. Zelazny, with all in favor, cutting down three Magnolia trees for outdoor movies on Friday nights, was approved.

Mr. Williams did not want free popcorn to be distributed.

- **Supervisor Requests** *(Added)*

Mr. Zelazny asked when the next community blast would be sent with the COVID update at HFC. Mr. Mecsics would work on the e-blast with Ms. Bosman. The only change was allowing visitors. Mr. Mecsics felt this was a difficult meeting with tough decisions being made, but the Board took a balanced approach. It was his honor to work with the Board and apologized for any offending comments.

EIGHTH ORDER OF BUSINESS

Public Comments

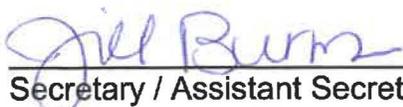
There being none, the next item followed.

NINTH ORDER OF BUSINESS

Adjournment

There not being any further business to discuss,

On MOTION by Mr. Williams, seconded by Mr. Mecsics, with all in favor the meeting was adjourned.


Secretary / Assistant Secretary


Chairman / Vice Chairman