

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

The regular meeting of the Board of Supervisors of the Lake Ashton II Community Development District was held on Friday, **November 20, 2020** at 9:04 a.m. at 6052 Pebble Beach Blvd., Winter Haven, FL.

Present and constituting a quorum were:

James Mecsics	Chairman
Bob Zelazny	Vice Chairman
Duff Hill	Assistant Secretary
Colette McKie	Assistant Secretary
Angie Littlewood	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Sarah Sandy	District Counsel, HGS <i>via Zoom</i>
Alan Rayl	District Engineer
Mary Bosman	Community Director
Brian Rhodes	Indigo Golf Partners
Ron Lavoie	Indigo Golf Partners
Residents	

FIRST ORDER OF BUSINESS

Roll Call and Pledge of Allegiance

Ms. Burns called the meeting to order at 9:00 am and five Supervisors were in attendance constituting a quorum. The Board recited the pledge of allegiance.

SECOND ORDER OF BUSINESS

Approval of Meeting Agenda

Mr. Mecsics: Are there any changes, additions, or recommendations? Hearing none,

On MOTION by Mr. Hill seconded by Ms. McKie, with all in favor the meeting agenda was approved.

THIRD ORDER OF BUSINESS

Public Comments on Specific Items on the Agenda (the District Manager will read any questions or comments received from members of the public in advance of the meeting; we ask those members of the public wanting to address the Board directly first state his or her name and his or her address. All comments, including those read by the District Manager, will be limited to three (3) minutes)

Mr. Mecsecs: The next Item up is public comments on specific agenda items. Do we have any public comments on any agenda items?

Ms. Burns: We have quite a few public comments that were received prior to the meeting. I will begin reading them.

Matt Thul (public comment provided prior to meeting): Center State bank has told me that the Lake Ashton ATM will only remain in service until sometime next year. When it is removed the closest ATM will be in the Publix shopping center. I am asking the supervisors to designate one of the supervisors to work with Centerstate bank and the Lake Wales CDD to identify a suitable long term location for a Centerstate ATM at the HFC or the clubhouse. Thank you.

Joan Senecal (public comment provided prior to meeting): As a new resident of Riviera Court I love the inside pool. I go there every day that is open and am also a member of the LA SWIM Club. We moved here on June 1. We appreciate the recent gradual extension of hours. I really question how much use of the pool gets later on the week day evenings especially now that it is dark by 6 pm. Many folks stay in after dark. In my opinion, and having discussed this with many other residents, I feel that opening the pool Saturday afternoon and evening AND SUNDAY would benefit many more residents. With cooler months ahead it may get chilly at the outside pool. Plus the winter months and holiday may bring more visitors who would enjoy the inside pool on weekends. It's great exercise for ALL ages and quite easy to social distance. I hope you give this some consideration.

Calvin Eakins: Pickleball has 170 members, the second largest community in Lake Ashton, behind golf. Courts 1 & 2 are a real eye sore for what I consider Lake Ashton to be a well-maintained community. Furthermore, when we got a professional bid to repaint

the courts, it was determined that the disrepair is now dangerous to play on. We deserve better. For a few thousand dollars, let's get this done.

Sandra Papineau: Can we please find a way to open up the HFC to residents on the weekends. It's great they extended the hours during the week but that does not include the residents that work and people who want to use the facilities during the weekend.

Tom Wierdak: One issue I would hope the Board would address is a service 'we had' when we first moved to Lake Ashton in August of 2017, a very reasonable contract with Spectrum & ADT Security. If we initiate a survey to all residents to see if there is any interest. I think if we have a positive response of at least 1,000 residents we may be able to negotiate a lower cost for these services. Since losing those services I hear nothing but remorse from people I know, even from snowbirds who I believe initiated the end of these mandatory services. One last comments, cost efficiency would improve substantially by scaling down from a two Board system to a 'one Board system.' We are one community, not two.

Sandy White: On behalf of the Lake Ashton Swim Club and all lap swimmers who utilize the HFC pool, I am writing to request the backstroke flags to improve the safety for all. Thank you very much for your consideration of our request. We truly appreciate all the CDD II Supervisors have done to bring the pool up to modern safety standards for all swimmers.

Carolyn Bishop: On the corner of Sawgrass Dr and Oakmont Cr is a fenced in station. Now that all houses around it are complete, will they be planting privacy bushes all around it like all the others like it in the neighborhood? This location is NOT at the new 4 way stop but at the other end of Oakmont.

Robert Dupuis: I live on Winged Foot and there is a common area that is between us and a conservation area. Over time the conversation area has taken over LA's property due to over growth. In some of the areas there is 10 to 12 feet of over growth (weeds and bushes) before you reach the stakes outlining LA's property line. Each time the grass is cut we lose a little bit more to the conservation area. Is this something the Board may want to look into or is it too expensive to try to reclaim our land. I understand at one point

someone was monitoring this and advising our lawn service as to our expectation when cutting near a conservation area.

Mary Clark: The stop sign at Sawgrass and Oakmont, the new stop sign violates the Manual on Uniform Traffic Control Devices requirements that suggest an engineering study that measures approaching cars at the intersection and demonstrates that there is similar traffic coming from all 4 directions before a 4 way stop is warranted. A multi-stop sign is only to be used under certain conditions such as improving traffic flow at two through streets. A 4 way stop is prohibited as a form of traffic control. In Polk County a 36" stop sign is only used on major highways and high crash areas. Polk County does not deem Sawgrass and Oakmont intersection having visibility issues. Polk County does not see a need for a 4 way stop at Sawgrass and Oakmont. I am asking the Board to remove the stop sign on Sawgrass until a proper study is conducted.

Mr. Mecsecs: Jillian, I would like to ask that at the end of the meeting when we have our public comments one more time that a Supervisor be able to provide a quick one sentence answer to any public comments that need one.

FOURTH ORDER OF BUSINESS

Organizational Matters

A. Administration of Oaths to Newly Elected Board Members

** The Oath of Office was administered prior to the beginning of the meeting*

B. Discussion Regarding Sunshine Laws and Electing Compensation

Ms. Burns: I know you all received some information from Sarah. I am happy to go over that now if you would like. The Sunshine Law states that all business of the Board must be conducted in the sunshine, so basically at a public meeting. You are not allowed to discuss Board business outside of a Board meeting with any of the other Supervisors. You are able to talk to me, Sarah, Alan, other residents, etc. That does not mean that you cannot speak with each other, feel free to talk about anything that is not business that would come in front of the Board at a meeting. That applies to emails and text messages as well. You must retain all records related to District business, so I know Sarah would advise against texting because you are not able to retain those easily. We advise against using Facebook or Nextdoor or other social media because it's very easy to inadvertently have a Sunshine Law infraction. Many Supervisors set up a separate email address for

Board business. That way it's very easy to retain those if you have a public records request.

Ms. Sandy: If you ever have a question about if something is a Sunshine Law violation, please reach out to me.

Ms. Burns: Supervisors are entitled to up to \$200 per meeting for their service as a Supervisor. It is entirely up to you if you choose to elect to receive that or not. It's an individual decision. Previously none of the Supervisors on this Board have elected to receive compensation. You can get with me after the meeting if that is something you are electing to do, and I will help you with the forms.

C. Consideration of Resolution 2021-02 Electing Officers

Mr. Mecsics: At this time we will be electing the Chairman and Vice Chairman and the rest of our Assistant Secretaries.

Ms. Burns: I would ask that you appoint myself as Secretary and George Flint with GMS as Assistant Secretary. That enables us to sign District documents and go through the process of signing and approving things outside of meetings.

Mr. Hill: We have two very qualified, talented, and smart individuals on the Board. Either one would make terrific Chairmans. It took me a long time to make a decision, but I'd like to nominate Mr. Mecsics as Chairman.

On MOTION by Mr. Hill, seconded by Ms. McKie with all in favor, Resolution 2021-02 Electing Officers with Mr. Mecsics as Chairman, was approved.

Mr. Mecsics: I would like to nominate my army counterpart over here, Bob Zelazny, as the Vice Chairman.

On MOTION by Mr. Mecsics, seconded by Ms. McKie with all in favor, Resolution 2021-02 Electing Officers with Mr. Zelazny as Vice Chairman, was approved.

Ms. Burns: If there is no objection, I would suggest the other three Supervisors be elected as Assistant Secretaries.

On MOTION by Mr. Hill, seconded by Mr. Mecsics with all in favor, Resolution 2021-02 Electing Officers with Mr. Hill, Ms. McKie, and Ms. Littlewood as Assistant Secretaries, Ms. Burns as Secretary, and Mr. Flint as Assistant Secretary, was approved.

FIFTH ORDER OF BUSINESS

Approval of Revised Minutes of the August 21, 2020 Board of Supervisors Meeting

Mr. Mecsics: Did the Board have any comments, corrections, or deletions to the revised August 21, 2020 meeting minutes? Hearing none,

On MOTION by Mr. Zelazny, seconded by Mr. Mecsics with all in favor, the Revised Minutes of the August 21, 2020 Board of Supervisors Meeting, were approved.

SIXTH ORDER OF BUSINESS

Approval of Minutes of the October 16, 2020 Board of Supervisors Meeting

Mr. Mecsics: Did the Board have any comments, corrections, or deletions to the revised August 21, 2020 meeting minutes?

Mr. Zelazny: I have two corrections. On page 27 at the bottom some discussion attributed to defecation was not made by me, I believe that was Mr. Mecsics.

On MOTION by Mr. Zelazny, seconded by Mr. Mecsics with all in favor, the Minutes of the October 16, 2020 Board of Supervisors Meeting, were approved as amended.

SEVENTH ORDER OF BUSINESS

New Business/ Supervisors Requests

A. Consideration of Resolution 2021-03 Amending the Fiscal Year 2020 General Fund Budget

Ms. Burns: At the end of the fiscal year if we have gone over our overall budget or more than 10% on any line item, the auditors like to see us approve a revised budget. We are basically just adopted the actual amounts from September 30th. This is mostly an administrative matter. The overages were mostly related to the due diligence and legal costs related to the golf course purchase.

On MOTION by Mr. Zelazny, seconded by Ms. McKie with all in favor, Resolution 2021-03 Amending the Fiscal Year 2020 General Fund Budget, was approved.

B. Discussion of Settlement Agreement and Flowage Easement with Neighboring Landowner, Vernick – ADDED

Ms. Burns: For the record, this was discussed at the Lake Ashton meeting yesterday. They did approve these agreements in substantial form pending approval from the LAII Board.

Ms. Sandy: This was also discussed at the last Board meeting, and the Board approved myself working with Alan and counsel from Lake Ashton to put together a demand letter to send to a neighboring property owner who had constructed a roadway that was causing some flowage issues with the stormwater. We did hear back from Mr. Vernick, he asked to discuss the removal and potential settlement agreement including a release of claims by the Districts against him and vice versa. In an effort to streamline the conversation we went ahead and put together a draft settlement agreement that lays out the requests that both the Districts have of Mr. Vernick and the requests that we think he has of the Districts. It included the removal of that roadway at Mr. Vernick's own expense and allowing District representatives to inspect that removal. I believe Alan was able to get a visual inspection from the District's property, but we would like to be able to go in there and more closely inspect it. Mr. Vernick did notify us that he did that removal. We require that the removal be sufficient to restore the natural flow to the grate existing prior to the construction of the roadway. It states that Mr. Vernick would agree not to construct anything in the future that would again cause the same issues. Lastly, it requires Mr. Vernick and the District to enter into a Flowage Easement. This would grant the Districts a drainage and water storage easement over that particular area. That would give the District rights in terms of Mr. Vernick selling his home in the future. We are asking that you approve the documents in substantial form, with any additional changes to be approved by the Chairman.

Mr. Zelazny: Sarah, this is Bob, on page 2 it says Mr. Vernick will leave the flow away in substantially the same condition at that which existed on July 1, 2019. Were you at the Board meeting yesterday?

Ms. Sandy: I was not.

Mr. Zelazny: Mr. Realmuto brought up some very good points in his discussion on that. He said instead of using the date of July 1, which is arbitrary on the depth of the lake, should we not try to determine what the acceptable level of the lake is and try for that in the settlement agreement? When I talk with Alan, we believe it should be 16.

Mr. Rayl: I discussed with the LA CDD that the best request we should make in this agreement is that it be returned to the pre altered condition, not stand on an elevation. We don't know what other downstream tail water could affect the lake level. The lake level is established by SWFWMD for Lake Ashton, which used to be called Lake Myrtle. They did a study in 1985 that shows there are a number of elevation ranges associated with the lake. There are a number of elevation ranges associated with the designs of the community based on the adjacent ponds being able to drain to the lake. We request that it be put to the prealtered condition, whatever that elevation was. There is a clearly defined upstream and downstream channel section and an observable continuous slope in that area of the channel bed.

Mr. Zelazny: We are in the rainy season, we have had the golf cart paths underwater before. If we could get any measurable difference of 2 or 3 inches I think that would be better.

Ms. Sandy: We have not sent this settlement over to Mr. Vernick, so we have not gotten his feedback.

Mr. Zelazny: Are we waiting for the lake level in order to stabilize to with the berm is down?

Mr. Rayl: We are observing the lake levels on the SWFWMD staff gauge daily. We had been seeing a progressive reduction in the lake levels. The timing of the removal of the crossing was in anticipation of the tropical storm coming through. I think we recorded a 1½ of rain in the area from that event. Lake levels have gone up now. Lake Ashton is a 400 acre lake itself, and it has a much larger water shed that contributes to it. The effects take time to be realized. You will see lake levels rise far after the storm event has passed through. All the areas now drain to it and the level rises. When we observed it from the lake side, we could see that the channel was open the pipe was removed and water was flowing through it. Now, we don't know if there was still material left in the channel bed

that would later be a new obstruction. Our recommendation was to physically observe the area of the work and make sure it was returned back to prealtered conditions. Then we would know that there is nothing going on in that channel on that property that is adversely affecting the lake.

Mr. Mecsics: As the one who talked to him I will tell you, it was a major accomplishment to get him to do it himself. What we don't want to do is start asking a lot more and then that messes our negotiation to get this agreement so we have some easement responsibilities. If the levels are too specific in the agreement he is not going to agree to it, I can see that already. We'll go back and forth with him for a long time. As our friends on the East side voted, I recommend that we go with what we have here.

Mr. Rayl: For the Board's information, this easement runs with the land. If he sells it to someone for agricultural use they are similarly prohibited from altering that ditch. If it's sold for development purposes and becomes part of a subdivision or something, then it becomes a permitting activity that has to be submitted to and approved by SWFWMD. This would take away any chance that this could ever happen again.

Mr. Zelazny: Sarah, how do we know what the existing condition was in July? Was it two feet below the berm line, is it three feet below? If he stops one foot short and doesn't solve our problem then this all goes for nothing. We have to make sure that our cart paths are dry. If July 1 allows our cart paths to remain dry, then that's fine.

Mr. Rayl: That date was assigned due to Mr. Vernick's statements that he created the crossing in August. It's meant to predate the alteration that he made. There's another crossing on the immediate property downstream that is also deficient. The flow comes out of the ditch and spreads out across the pasture and then goes back in the ditch again. We don't know if that crossing also has an effect. We do know if we remove all impacts of this upstream crossing, then that is out of the picture of what affects us.

Mr. Zelazny: Okay, thank you.

Ms. McKie: It seems that our cart paths when we have rain are wet anyway. How can we determine what dry cart paths really mean?

Mr. Zelazny: The path was submerged.

Ms. Sandy: There are various factors that are going to add to that. We can point to this one alteration that did appear to cause some significant water issues, but again that is why we are focused on restoring it to the previous condition.

On MOTION by Mr. Meccsics, seconded by Mr. Hill, with all in favor, the Settlement Agreement with Flowage Easement with Neighboring Landowner, Vernick, was approved in substantial form with Authorization for Chairman to approve any additional changes and execute the same.

Mr. Zelazny: Before we leave the subject I have two questions. Are we going to do any of the repair/replacement or destruction of the berm or is that all Mr. Vernick's responsibility?

Ms. Sandy: That is Mr. Vernick's responsibility at his cost.

Mr. Zelazny: Are the cash registers closed on this project?

Ms. Sandy: There are still attorney and engineering costs involved in trying to finalize this, especially if there are further negotiations on the settlement agreement. In terms of costs to remove the roadway or anything like that, that has not been requested.

Mr. Zelazny: Have we got confirmation from LA CDD I on a 50% cost sharing for engineering and legal fees?

Ms. Burns: That was from the joint meeting, so all costs associated with this for legal and engineering are being shared 50/50 by both Districts.

C. Consideration of Addendum 6 from Yellowstone Landscape

Mr. Zelazny: This will be the third version of Addendum 6 as we have changed the cutting pattern in the areas that Yellowstone is going to be responsible for. This one finalizes it after coordination with the golf course. The golf course is taking over a considerable amount of the cutting area we had proposed Yellowstone be responsible for in Addendum 6. This is a reduction of about \$20,000 over the original Addendum 6.

Ms. Sandy: I have one question Bob, and this might be something we need to work on with you afterwards, we need the final Yellowstone amount. I've mentioned to the Board before that we are close to the threshold that would require us to bid this out. I do

not think we have surpassed it yet, we just need to understand what needs to be taken out of the annual total amount for Yellowstone.

Mr. Zelazny: Sure, I will get with you and Jill after. This amount, the \$179,000+, was already previously approved. This reduces that, so we shouldn't have an issue with the threshold since it's coming down.

On MOTION by Mr. Hill, seconded by Ms. McKie, with all in favor, the Addendum 6 from Yellowstone Landscape, was approved.

Mr. Zelazny: Before we leave the Yellowstone contract, let me address a couple issues that residents brought up. I would like to take three minutes to cover our landscaping responsibilities and what we do, and then go over a couple projects the Board is working on and looking at that respond to residents' concerns as well. Yellowstone has the landscaping contract for all of the common areas in all of the areas between the golf course and the houses on the near side of the lake. By the contract, they are supposed to cut 42 times a year and they string cut the lakes 21 times a year. This is the month where you get 1 string cutting, unfortunately. For the lady that said the grass was long, it has been cut but three months a year you get 1 cutting. Applied Aquatics takes care of the ponds here. we have 34 ponds on the West. They are treated every other Monday for submerged vegetation, emersed vegetation, floating vegetation, and a couple other things. They are out every other Monday doing our ponds. If you have an issue with your pond or with the grass cutting I would ask you to call Mary who supervises the contracts on a regular basis. She can point Dana or Archie in the right direction. A lady called about the lift stations in the new area that are not landscaped. We are researching that right now because the lift stations are owned by the city. It is actually their responsibility. Mr. Mecsics is dealing with the builder to see if they would be willing to plant hedges around those two lift stations. If they aren't willing to do that and the city is not going to then the Board will have to take that up. We've had some comments and concerns about the Boulevard coming in on Ashton Club Boulevard. There are two major initiatives that we've been looking at in the past and continue to look at. We will hopefully be addressing the whole landscaping scenario at the next workshop to discuss what the residents want to

do going forward. As you know, the trees on the Ashton Club Boulevard, we have lost 6 of them to the lethal bronze disease. The one outside the gate we lost to lightening about a month ago. Right now we have a bid to take the dead Medjool outside the gate down. The issue going forward is, are we going to plant seven new Medjool palms where the palms have been taken out? If you were at the Board meeting on the East they got a quote for one Medjool and it was \$6,500. Times that by 7 and it's almost \$50,000. We have been retreated our Medjool palms for about 18 months now and it seems to be working. We don't have any of the lethal bronze disease showing up in our palm trees and they appear to be healthy. We can leave eight of them there for a while, we can replace them with other palm trees that are not susceptible to lethal bronze disease such as Fox Tails or Royal palms. Those come in at under \$2,000 a tree, so that would be a significant savings. A third option we talked about before last year was replacing everything with ornamental streetlights, therefore reducing all the costs of the trees. We would just be limited to rental of the street lights. The Board has been working on all this for the last two years. Hopefully we can have a workshop on landscaping going forward. The last area on the Boulevard is the Hawthorne bushes, you can see how many we have that are dead and there are gaping holes in it. We have about 600 Hawthorne's there. We would have to put about 150 to 200 to replace the dead ones. Our master gardener has recommended that we look at a solution to put a different type of plant there that is heartier and more sustainable. He recommended the oyster plants. I look forward to discussing with the residents at the workshop the direction that they want to go.

Mr. Mecsecs: Thank you Bob, and yes we will be having some workshops in the future to go over that. We want input from the community.

C. Discussion Regarding Focus 2025

Mr. Zelazny: Some of you know in 2015 Mr. Mecsecs suggested that we needed to have a 5 year plan for Lake Ashton and the amenities. I chaired that committee with a bunch of really great volunteers and residents that supported it. What we asked then was what amenities do we want, how do we want to support the residents in 2020? Now in 2020 we are ready to look forward at the next 5 years. I encourage you to find a copy of the 2020 Focus Group Report, it was very extensive. It had near term, midterm, and long

term objectives and costs associated with them. All of them were adequately addressed but not all of the solutions made by the Board were implemented. What we need to do now is look at where we are in 2020 and see where we want to be in 2025. In 2015 we did the most successful survey in Lake Ashton at the time. Iris did a great job on that, and I hope she will step up and help us again this year. I would like to kick that off starting in January. I want to get a group of volunteers that want to work on the 2025 Focus Group. I've talked with Steve from the East and he is very anxious to do a similar initiative for the East, then we can work together to do a joint survey addressing the entire community. Do I have support allowing us to do that starting in January and working with Steve on the East to make it a joint effort?

Mr. Mecsecs: When we did this before it was a grassroots type of activity so we don't get hung up with the Sunshine Laws and notices. Bob, like myself, will be watching that. This will be non-binding recommendations. If it is anything near as successful as the 2020 Focus Group we will be in good shape.

E. Discussion Regarding Resurfacing of the Pickleball Courts

Mr. Hill: The reserve study shows a 5 to 7 year life cycle on the pickleball courts. We are in year 6 effective January 7th. Courts 1 and 2 are covered in black residue, there is water coming up around the posts, there is cracking around the outside of the courts. Courts 3 and 4 are the new courts but the land settled and we have 4 bird baths and the paint is starting to show some wear because we have 170 pickleball players. They are still playable, but it is an eye sore and no other amenity is in this kind of condition. The courts are scheduled to be resurfaced in 2022, 2024, and 2025 at a total cost of \$24,000. Varsity Courts will do courts 1 and 2 for \$3,700, courts 3 and 4 for \$3,700, for a total of \$7,400. I've negotiated with them to come down and do all four courts at the same time for \$6,800. If resurfaced, we won't have to resurface them again until 2027. That would show a savings on the reserve study of \$17,000. This would not need to be done until after the bond is paid off, which is one of the biggest items on our budget. The Pickleball Association greatly appreciates the CDD donating the land for the courts, however I would like to remind you that the Pickleball Association, through membership dues and spaghetti dinners, raised \$105,000 to build these courts. This is one of the fastest growing sports

in America. We have 170 members that participate and they would greatly appreciate if you would approve this Capital Project.

Ms. Littlewood: What makes is unsafe to play? That came from a resident's comment. There are other courts that also need to be redone.

Mr. Hill: The bird bath is what they're called, it's the depression in the courts where the land settled. They fill with water and they can be slippery. I haven't seen any indication that's unsafe. The main issue is the deterioration on courts 1 and 2, the oldest courts, and that there are gouges in the new courts. The paint is starting to wear away because it gets so much usage. They've played pickleball 7 days a week in the morning and 3 or 4 times at night. With 170 members it gets a lot of usage. I'd like to see the amenity be brought up to the level that all our other amenities are.

Ms. Littlewood: That is a fairly new court, should we get the vendor back out to look at it? Maybe incorrect materials were used?

Mr. Rayl: You said the newest court had gouges, has that been caused by equipment?

Mr. Hill: Occasionally James has to go in there with the lift to reconnect the windshields. I don't think he's responsible for it, but there are gouges. I wish I knew where they came from because nobody out there has done it. The paddles aren't hard enough to gouge it.

Mr. Rayl: We had a certain warranty period on that work from Varsity. Have they done an inspection of the current condition to see if it was anything to do with construction?

Mr. Hill: He came out and physically inspected the courts when he gave me the proposal.

Ms. McKie: I thought you had said in the beginning that they were warrantied for 7 years.

Mr. Hill: The reserve study shows that the life expectancy of the courts is 5 to 7 years. The amount of wear is what is causing the issue. I agree with Angie on the sports courts. The sports courts are already on the Capital Projects. The racquetball court has some safety issues and probably needs to be done this year. We only have 3 people in the community that play basketball, the rest come from outside. The basketball players

have said that there is no need for these courts to be refinished. The courts in the gym have rust stains from the equipment but it just cosmetic.

Mr. Zelazny: Let me clarify a couple things. The original pickleball courts were put in in 2016. The industry standards and per the reserve study, the pickleball courts need to be resurfaced between 5 and 7 year. Replacement is in the 20 year range. The 2016 courts are scheduled to be resurfaced in next year's budget which is the 6 year point. That is below the life cycle of the project. In the Capital Reserve Study it is true that there is an \$8,000 bill associated for that for appropriation purposes. Any negotiations for a reduced price is great and helps the Board, but I don't believe there is a need to do something in 2021 that is scheduled to be done in 2022. There are no safety issues associated with the pickleball courts right now. I have walked that court numerous times, and I was out again this morning with James, our maintenance personnel. I see no deficiencies, no cracks, no big chips, etc. Granted, the courts are discolored and dirty but that's the aging. Until we resolve our budget issues with the Capital Budget, I would not support any additions to the Capital Budget at this time.

Mr. Mecsecs: As Bob was saying, we are looking at this from a holistic standpoint and what resources we have available. We need to be careful saying there is a safety issue. If you bring up safety and you tell me there is a safety issue and you show it, then we close that amenity down. So, if you say there is a safety issue make sure you are right.

Mr. Hill made a motion to approve the quote for resurfacing the pickleball courts, there was no second and the motion failed.

Mr. Mecsecs: Since there was no second, this effort will be tabled.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Sandy: I only have one item to address with the Board today. The District is required to file a Disclosure of Public Financing. We did one back in 2012. The point of the disclosure is to reflect the District's maintenance and financing that is done historically. It's recorded in the public record against the properties within the District, that way there is information that new landowners coming into the District can receive. With the change in the District's maintenance responsibilities, specifically for the golf course, we would like to look into updating that. However, we have also discussed potentially

doing a refinancing soon. If possible, we will try and time it so that it will cover both. We will reach out to MBS and see how soon that refinancing would potentially be. If it looks like it will be a ways off, we might go ahead and prepare an update that we could file. If it will be soon, we'll time it to be at the same time. That's all I had for the Board, unless anyone has any questions.

B. Engineer

Mr. Rayl: I've got a few things for the Board. At last month's meeting we talked about the repair for hole #9, we came up with an alternate plan and a bid was out at that time. The Board authorized us to move forward if we could get a quote not to exceed \$10,000. We received a bid in earlier from SNS Contracting, a contractor that has done other work here, for \$6,748.50. It was a responsive bid and reflected the work we've shown on our detail. We have already been authorized but I wanted to bring it to the Board.

Mr. Mecsecs: The original proposal came in at around \$21,000. This is a significant reduction.

Mr. Rayl: Also, we have some partial costs in to complete the bridge and flume repairs. There is a high tec sod that can withstand velocity flow going across it, and we got some prices on that. We want the contractor to incorporate that in in the areas they are doing repairs. I hope that next month I will bring the Board something with all costs addressed.

Mr. Zelazny: Alan, those issues will be handled through Billy Casper or Indigo Golf.

Mr. Rayl: The guardhouse, at the time the community was developed the sewer and water utilities were constructed to the standards of the City of Winter Haven and they were dedicated to the City of Winter Haven for ownership and maintenance. At the time of the initial infrastructure construction, the guardhouse and any utility services for the guardhouse were not shown on the original plans. It appears it was all designed, permitted, and constructed in a subsequent event and we haven't been able to find any drawings or permits on it yet. The City of Winter Haven should have them. Even though it is in a public right of way, the city is not going to consider it a public utility that they will maintain. The lift stations that we know of in the community are publicly dedicated lift

stations, they meet all the standards of the city. The station that serves the guardhouse is not something that Winter Haven would ever accept for ownership and maintain. It's our to deal with to the point of connection that it makes to the public utility. The city does not have records on the underground electric infrastructure. We've requested that from TECO, and we should be able to get that information.

Mr. Mecsecs: We spoke about the incident at the last meeting that caused us to go looking and requesting all this information. We also had an inquiry from the Florida Department of Environmental Protection that I referred to our attorneys, because some of it did go into the storm drain system. We want to make sure we aren't liable for anything that may have happened.

Mr. Zelazny: Alan, could you prepare a fact sheet for members of the Board on what responsibilities the CDD has for everything that is underground and what the city is responsible for?

Mr. Rayl: Yes, we can do that. The simple answer is, the utilities are owned and maintained by others, the storm sewer, ponds, roadway infrastructure is ours. I'll get further definition on all that. We are working on getting utility service out to the bathroom building on hole #6 on the golf course. It also requires TECO power because it's running off irrigation system power right now. We've sent our plan to TECO to coordinate with them so they can prepare a design to bring service to the building. Once we can show that information we will submit this to the City of Winter Haven. They have to approve it then we can get bids on doing that work. There are stub outs in the ten foot tract in the cul de sac, and they stubbed out sewer and water. Upcoming, we have two SWFWMD certifications that are due. We did an inspection on one and Mr. Zelazny helped me arrange to get some vegetation cleared away that made one structure function better. Pond 22 has some leaks in the side drain filtration system, and we are getting a cost to repair that. After that is repaired that certification can be submitted. The other certifications are somewhat dependent upon the lake levels dropping. SWFWMD is allowing time for that to take place, they aren't coming after us because we didn't turn in certifications. In general items for the Board's information, the Mulligan and Dunmore work is complete. All the work was very satisfactory and it looks great behind the houses. They did a great job there. We are out for bid to get repairs made to the landing on the

bridge at hole #5, the exit of the bridge on hole #9, the bridge on hole #10, and the turnaround at the hole #10 bathrooms.

Mr. Hill: On the repairs to #9, the cart path area, is it possible to move that over for the golf course to pay for that since we have a \$300,000 forgiveness thing over there?

Mr. Mecsecs: The cart paths are now being maintained by the golf course, so that amount of money is now being born out of the golf operating budget, not the CDD.

Mr. Hill: Alan, can you give us a brief description of the condition of our roads and what you see us having to spend on the roads in 2021?

Mr. Ray: We are working off of the pavement inventory that we created a little over a year ago. At the last Board meeting, the Board decided to wait until the beginning of the next calendar year to start looking at the next set of repairs. We had a priority list of the top five of six worst locations based on the study we had done. I think the Board was comfortable with moving forward. There is also a pavement condition report that we did, which is more reflective of the running condition of the roadway, or its overall integrity. Each roadway segment was assigned a score based on the amount and intensity of defects. Inbound Ashton Boulevard was the worst scoring segment if I remember right, and the will of the Board then was that they were going to wait until the majority of the homebuilding was complete to get the heavy traffic loads done with. That way we get the most life out of the roads once they are repaired. I don't think there is any scheduled or budgeted repairs immediately set up.

Mr. Hill: We have \$32,000 set up in the budget for roads next year. Do you feel like we can get by with less than that? We spent \$22,000 to \$25,000 this year.

Mr. Zelazny: Alan, when we start going over next year's budget is when we will have that discussion. The budgeted amount has always been \$25,000 in the past, it was increased to \$32,000 because we accepted the cart paths and bridges as a responsibility. We don't know if we are going to spend that all. There are projects popping up that were not foreseen, like the portico that Jim is working on and that was \$50,000. I don't think that one month into the budget we should start cutting things.

Mr. Hill: I'm the new one, so I just have questions. Thank you for your input.

Mr. Mecsecs: That's okay. We all had questions when we were new.

Mr. Zelazny: Alan, just for the record, I appreciate all your work. You're all over the community, both East and West. I know the East really appreciates your effort but trying to get resolution on the cart paths, the bridges on both sides, the lake leveling, the guard shack, the bathroom on hole #6, we have you everywhere. We really appreciate you.

Mr. Rayl: Thank you Bob.

Mr. Mecsecs: He's all over the place Bob, you're right. We appreciate you Alan.

C. Indigo Golf

I. Golf Course Financial Statements

Mr. Rhodes: Billy Casper Golf has changed their name to Indigo Golf Partners. After 31 years our Board of Directors decided the golf business has evolved, and we are going to evolve with it. Today we are going to divide and conquer. I will do a quick update on the financial status. Last month at this meeting we did not have finals for September, but not I can give you an update on where we ended the year. Total revenue missed budget by \$41,000. F&B revenue missed budget by almost \$49,000. That's due to the pandemic more than anything else, we are seeing that at clubs all across the country. We only missed gross revenues by about \$24,000. We were able to make up \$5,000 in labor cost, we were under budget there. The previous Board had requested that we monitor our spending very closely. We did the best we could and we try to spend money wisely and not over spend. With that being said, we were able to save \$75,000 in expenses for the year. We did incur a few things. There was about \$1,200 in bad debt that we couldn't collect, and \$9,900 in cart paths and legal fees. We had a very good October. Rounds were about 68 rounds over budget. Our golf revenues, which are membership dues, green fees, cart fees, range fees, any other Pro Shop income, etc. were \$2,200 over budget for the month. We found out that very few associate members are playing at the rate we thought they would when they purchased the program and what we projected. Ron is monitoring that on a monthly basis and we are hoping it is a seasonal thing. Food and Beverage made an increase from last month, but we did miss budget by about \$5,500. Cost of goods was slightly higher than our budget but not too bad. The good news is the net contribution, we are positive \$250. We broke even in the restaurant last month, and if we continue going that way we should be confident in hitting our numbers. The Pro Shop cost of goods was about 10 points higher than what our normal budget is, and that

is because we put a sale on. Labor savings was about \$4,000 for the month. We've also allocated the dues over a 12 months period, which wasn't done in our books in the past because we didn't have the design.

Mr. Mecsics: I want to say thank you. You guys are performing. The negative comments, you are proving them wrong and I thank you for that. I'm not a golfer, but I say thank you for all the hard efforts.

Mr. Hill: I was noticing that you are \$18,000 under budget on maintenance, that's a good job.

Mr. Rhodes: \$16,000 was out of the fertilizer. We may incur a little expense on that to gain back, but it won't be all \$16,000.

Mr. Hill: On the associate members, how do you monitor whether they come in and pay when they come to play or do they just drive out there?

The membership is down 2% from prior year, however a lot of it is because of association dues which were a lot less. If you bring that green fees income to the present, we are probably going to be up 4 or 5%. We have people who played 10 or 20 rounds in October, so if they don't stop they will have the most expensive membership at the club. I'm amazed that they didn't come in and asked to be changed to an annual membership. I do monitor the golf course. I ride the golf course every night with my wife. We have marshals that will be out on a regular basis. We are always checking. I've been riding the golf course since I moved here in August and I found 1 person on the golf course that played that was not a member. Marshals are going to be active out there checking cards and numbers. Also another tidbit, we had 57 associate memberships, which translates into 121 people based on family and single. Obviously it was a successful program. They averaged 11 rounds a day during October. I think November and December will give us a better handle on just how many rounds they will be playing.

Mr. Hill: First of all thank you for cutting the trees down because I found 10 golf balls when I went by there. Second thing, do you have a feel for how many golfers have not come down from up north because of COVID?

Mr. Lavoie: Seasonal memberships are down 29% or \$95,966 to prior year. That translates into 22 memberships that are not here. Some of that could be people

downgrading or doing the associate. Out of those 22, we would say about 16 Canadians are not here. We have 4 or 5 that flew in that are here.

II. Golf Course Update

Mr. Lavoie: The weed pressure is much less out there. We spent over \$125,000 since we arrived in May on chemicals and fertilizer to be able to get this in decent shape. The majority of that went to the greens. The water is receding which is a good thing. A lot of the residents have noticed and the Board members might have as well, we've been tree trimming. They hadn't been done in four years. They are completely done in the West and they have about a third done on the East. The greens are probably as healthy as they have been in a number of years according to the customers that talk to me. By healthy I mean the roots are probably almost 3 or 4 inches compared to barely an inch when we showed up in May. This allows us to come up with a nice strong greens program where we do a lot of verticutting, aerifying, and top dressing that makes them smoother and quicker. That's the goal of this golf course, to make sure the greens are up to par with what you expect. We have the new executive course, which is a short golf course for people that don't play the game. We will probably be making some adjustments based on the comments. We ended up with a couple holes that are kind of long, about 200 yards, and we want to make it more of a par 3 golf course. The Golf Committee has met a couple of times, we try to meet once a month.

Mr. Zelazny: We can't forget that they have only been here since May 1, and they have completely turned this place around.

D. District Manager's Report

Ms. Burns: We are continuing to monitor any COVID updates out of the governor's office, there has not been much since we entered Phase 3. Welcome to the new Board members, we look forward to working with you.

Mr. Zelazny: When do you anticipate historically when the assessment dollars will start arriving in our bank account?

Ms. Burns: It's normally this week, around Thanksgiving. I check and last year we had about \$450,000 in November and about \$700,000 in December. A majority of the funds come in from the tax bill in the end of November and in December.

Mr. Zelazny: We will be having an update on COVID at every meeting going forward to go over all our procedures. Our staff is doing a great job monitoring the amenities.

Ms. Littlewood: I've had a couple residents say there is a difference between the East policy and our policy. Is there not some way we can work together and have the policies coincide?

Mr. Meccsics: They have a different structure in their community as far as people coming in and out of the buildings. Quite frankly we take a conservative approach at this. Lake Ashton is a community made up of more maturely aged people, and we are at high risk. I think that our procedures are prudent. As much as I like to think that everyone is honest and writes down their names, I know that's not the case because I have seen people not write their name down. The numbers are rising and California is closing down. If you are going up north and you come back, I would ask that you quarantine or test negative before you come back out into the community.

E. Lake Ashton II Community Director

Ms. Bosman: Congratulations to the new Board members, HFC staff looks forward to working with you. We have increased our hours of operations without adding any staff. The pool attendant position has changed for this accommodation, the pool attendant now works from 6 a.m. to 11 a.m. Monday through Friday and continues with the previous 8 a.m. to 1 p.m. Saturday schedule. Entering and exiting through the main door will take place outside of those hours. Hopefully, this will not be a permanent adjustment. Monday evenings have been the most used evening at the HFC. The Monday number is about 28 when the normal ranges from a low of 3 to about 10 persons. For the most part, they are swimmers. Louis has stated that she is ready to retire at the end of the year. She currently works 16 hours weekly at the reception desk. On October 23 the sewer backed up into the gate house twice in one day and much work and coordination was done to resolve the equipment issues as well as the sanitation issues. Maintenance staff was extremely helpful in getting things done and done correctly during these two incidents.

For projects, the stage curtain has been installed as well as the additional large tv for presentations in the Community Center. This includes building a wooden cornice to

cover the tops of the curtain layers. New stop signs have been installed in the Sawgrass intersection. The handheld sanitizing atomizer has arrived. It definitely saves time with disinfecting. We are still waiting for the larger sanitizer to arrive. The Sew What Group has offered to sew the valances for the Card Room. They will be starting that project next week. The former curtain material will be used for the valances which cannot be pulled down as were the curtains and rods. Several communications have been sent to Yellowstone regarding the removal of the dead tree at the Hwy. 653 entrance. This has not been completed by Yellowstone. The first New Resident Social was held since March. There were 80 new residents in attendance, and we managed to get in all the speakers within the 60 minutes goal, remain socially distanced and observe the face mask, temperature checks, and hand sanitizing protocols. Planning is nearly complete to implement a new type of fitness class beginning in December. Laurie Heverly will be the new instructor for the newly published exercise methodology. Several staff members have already contributed expertise and time towards its success. A donation has been received from Fay Wood and Ed Maxwell of audio equipment and the large Smart TV in the community center. This was used at one event already and will be appreciated many times for large events needing media projected.

Ms. Littlewood: I am concerned about people coming in from the pool with wet feet on those tiles in the foyer. Is there a way that people can get out of those doors but can't come back in?

Ms. Bosman: We tried that philosophy and it didn't work well. There are mats all over, they have to go over three of them. I mentioned the mop, I think we've used it twice. Staff is clued in on safety here.

Ms. Littlewood: I've slipped on wet tiles and broken my wrist before, it's easy to do. That's why I'm concerned.

Ms. Bosman: We can certainly take a look at other options going forward. I want to close by thanking James and our IT gentleman.

Mr. Zelazny: I believe we covered everything that the residents wrote in to Jillian about, and I would like to see us move forward with all the swim projects because we have some great swimmers in our community. I believe everyone on the swim club medaled in the senior Olympics.

NINTH ORDER OF BUSINESS

Financial Report

A. Approval of Check Run Summary

Ms. Burns: The total amount for the Check Run Summary for October 12th through November 12th for the General Fund was \$156,666.14 and for the Capital Reserve it was \$1,973.76. I would be glad to answer questions that anybody might have.

Ms. Littlewood: I have a question. What's the difference in a pool monitor and a pool attendant? We've got two checks for those.

Ms. Burns: It's probably just whatever Mary wrote down when she submitted the payment. It's the same service.

Mr. Zelazny: Is there a way we can have the invoices available for review when we have this check run?

Ms. Burns: We can send those to Supervisors. We don't put them in the package that goes online because we've had people steal fed ex account numbers and things like that.

Mr. Zelazny: Thank you.

On MOTION by Mr. Zelazny seconded by Ms. McKie with all in favor the Check Run Summary was approved.

B. Combined Balance Sheet

Ms. Burns: Financial statements are included in your package for review, there is no action necessary by the Board. These are the September financial statements. I'll give a quick review of this. We ended with more revenue than expected which is great. The majority is from the Lake Ashton golf purchase. We were more than fully collected from the tax collectors, so the residents have all paid their assessments. Administrative, we were over budget and we have discussed that for many months now. That's mainly due to the due diligence and legal costs associated with the acquisition of the golf course. We were about \$232,000 over on that line item. As far as the field, we ended pretty close to on budget. There was some additional amounts for the ponds that had to be serviced as part of the acquisition of the golf course. Our ending fund balance was \$123,966 in the account that carried over for our beginning balance in October.

Mr. Zelazny: At the next meeting could you give us a tutorial on how to read the 6 page document? I think it would be helpful for the new members.

Mr. Hill: When I first started looking at the Capital Budget and General Fund I was lost. I went to Bob and he has explained with me how to read the budgets and funds. I appreciate that Bob.

TENTH ORDER OF BUSINESS

Public Comments

Ms. Burns: Are there any public comments?

Resident: I want to let people know that the Focus Group Report for 2020 is on LakeAshtonLiving.com. I look forward to working with the 2025 committee.

Resident: Regarding the fitness center, we have TVs on the wall that are not able to be used with handling of the controls. Could the TVs be turned on to something like the weather channel or local news? If it's not being used we could cancel the service for the time being and save some money. I go along with Bob's comment that I would like to see us come to an agreement with the adjacent landowner to a specific height of that water level.

Resident: First, Bob, we transferred the cost to the ninth hole to Indigo. Does that include the engineering cost?

Mr. Zelazny: We haven't transferred them at this time, we will have to look into that. If we can we will.

Resident: Jim, this may be best addressed to you. There have been a number of comments on social media about Christmas lights. Is there some way we can coordinate with the HOA so that it's equal and we don't have the confusion.

Mr. Mecsics: That's a great question. I talked to Mary and we will coincide with what the HOA asks the residents to do.

ELEVENTH ORDER OF BUSINESS

Adjournment

There not being any further business to discuss,

On MOTION by Ms. McKie, seconded by Mr. Zelazny, with all in favor, the meeting was adjourned.

November 20, 2020

Lake Ashton II CDD


Secretary / Assistant Secretary


Chairman / Vice Chairman