

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

The regular meeting of the Board of Supervisors of the Lake Ashton Community Development District was held on May 11, 2018 at 9:00 a.m. at the Lake Ashton Clubhouse Ballroom, 4141 Ashton Club Drive, Lakes Wales, Florida 33859.

Present and constituting a quorum:

Carol Pontious	Chairman
Borden Deane	Vice Chairman
Brenda VanSickle	Assistant Secretary
Michael Costello	Assistant Secretary
Bob Ference	Assistant Secretary

Also present:

Darrin Mossing	District Manager
Jill Burns	Governmental Management Services
Andrew d'Adesky	District Counsel
Rey Malave	District Engineer
Christine Wells	Community Director
Matt Fisher	Field Operations Manager
Numerous residents	

FIRST ORDER OF BUSINESS

**Roll Call and Pledge of
Allegiance**

Mr. Mossing called the roll and established a quorum was present and Ms. Pontious led the pledge of allegiance.

SECOND ORDER OF BUSINESS

**Audience Comments on Specific
Items on the Agenda** *(speakers will fill
out a card and submit it to the District
Manager prior to beginning of the meeting)*

Ms. Pontious: Darrin, do you have any requests to speak?

Mr. Mossing: I did not receive any.

Ms. Pontious: I did not either. Is there anyone who needs to speak before we start?

Ok, we will just continue then.

THIRD ORDER OF BUSINESS

Ratification of the Emergency Board Meeting on April 27, 2018

Ms. Pontious: We need to do a ratification. We had an emergency Board meeting on April 27, 2018 because some of the goods that we ordered for the restaurant were not available for a longer period of time then we chose to wait. So all we did that day was change the color. Same product, different color slightly. How do we ratify that?

Mr. d'Adesky: By a vote to ratify. That is required by Chapter 189.015 in the Florida Statutes.

Ms. Pontious: Ok, so we need a motion.

Mr. Deane: A motion to ratify the emergency Board meeting for the change of the floor in the restaurant.

Mr. Costello: Second.

Ms. Pontious: We have a motion from Borden and a second from Mike to ratify the emergency board meeting on the 27th. All in favor?

On MOTION by Mr. Deane seconded by Mr. Costello with all in favor actions taken at the emergency Board meeting held on April 27, 2018 were ratified.

Ms. Pontious: We do have the carpeting and the vinyl fully installed this morning. There is still some tweaking to do, but take a look and see what you think. It looks very nice on first impression.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of Meeting held on April 13, 2018

Ms. Pontious: Ok we have the approval of the minutes from the last official meeting. Do we have any changes or concerns?

Ms. VanSickle: I have one on page 3. It is where Ms. Cunningham is speaking. Right before the Third Order of Business, it says, "let them do it on their own without their parents from the Board". I think she meant "interference" not their parents.

Ms. Pontious: Yes, interference. Correct.

Ms. VanSickle: That is all.

Ms. Pontious: Anything else?

Mr. Ference: Motion we accept the minutes as presented.

Mr. Deane: Second.

Ms. Pontious: We have a motion from Bob seconded by Borden to accept the minutes of the meeting. All those in favor.

On MOTION by Mr. Ference seconded by Mr. Deane with all in favor the minutes of the April 13, 2018 meeting were approved.

FIFTH ORDER OF BUSINESS

Engineer's Report

Ms. Pontious: Alright, Mr. Rey. It is good to see you this morning. Thank you for coming. What would you like to tell us?

Mr. Malave: Good morning to all. Pleasure to be here. A couple things to report. One, I am working with Matt. We are working with our contractor on getting updated costs for some of the drainage repairs. We have a list of about 10 to 12 things that we want to be repaired since the beginning of the year. Water came up again and some of the storm issues and all that so we put those on hold. All-Terrain is coming back and reviewing some of those issues again. The water is to the point where we can do some of those repairs. Some of them are a little tighter so we are getting some prices he believes will change that. Once we have that we will bring those back for ratification with the Board if you want to proceed on some of those improvements now it is dry still and we can get some of those done. The second issue was one that I brought forth last time. Some of our repairs along the shoreline we are going to go in a different direction to help create something we can do there as part of our repairs to that shoreline. I will work with Matt and Christine to come up with some dollars on how to fix that in a different direction.

Mr. Ference: Going back to your first statement, what projects do you think you have in mind that we will do in the immediate future?

Mr. Malave: There was two major areas that we wanted to clean up. One was the pond on the corner of Berwick and Turnberry. It has a little island in the center of dirt

there. Now that the water is down you can actually see it. It is a lot less work. That is one of the things we want to eliminate.

Mr. Ference: Can we sell that lot to somebody?

Mr. Malave: That is one of those areas. There is a similar situation in the bigger lake on the north side. It is south of Turnberry. I think it is Lake D if I am not mistaken. Anyways, it is that big lake towards the golf course towards our western side of our property. It has two islands very similar to that and some erosion has occurred there so we want to repair that. That is a little more costly and a little more effort.

Mr. Ference: What is being repaired mean?

Mr. Malave: Taking the dirt out and regrading it. No structural efforts, it is just the effort of doing the work. When you are dealing with water you have to make sure no turbidity comes out, etc. and things of that nature. I think that one was around \$30,000 plus. All that work from the control structure over. Those are the two larger ones.

Mr. Ference: If we pray for rain, could we save \$30,000?

Mr. Malave: You could. I don't think it is going to change any of the efforts. I think it is just something that we need to do. If the water management came out and inspected those today they would cite us and say you need to take care of this. If it is underwater, nobody is going to say anything.

Mr. Ference: How soon will that be done?

Mr. Malave: We are trying to get a price for that and we will work with Matt on trying to get that done hopefully before it starts rain time.

Mr. Ference: So they are two that you see immediately.

Mr. Malave: There was a couple little other things that off the top of my head I don't remember. They were minor. That is basically it on the drainage issue that I can remember.

Mr. Ference: Thank you for a job well done, Rey. Good to see you again.

Mr. Malave: Thank you same here. The last one I want to address I know you are going to be discussing the budget later today. Just having my two cents worth in there. When I looked at the capital budget I don't know if it is appropriate to bring it up now, but since you always would like to save some dollars and get me out of here I would

speaking to that now. When you look on the page 9 of the budget under 7C, you see a listing of some of the improvements we were going to have on the capital improvements from last year. As you probably noticed most of those were not completed. If you look at the second to last column there total projected before the end of the year there is still about almost \$545,000 to be spent. There is no way we are going to do all that work. So what I would recommend is most of that money can be moved to the next year. I would like for Christine and I to get together and go over using our updated reserve study and use those items and create a five year plan based on what they have. That will give us a good look of what things need to happen in the next five years. We can allot some of that dollars to next year's budget. We know we will have some of the drainage improvement things that we have and some of the stormwater issues. Paving management, we have done a very good job. I think we have caught up on a lot of that. I think that can be moved towards the third, fourth or fifth year and not really necessary for next year. I think that will give you a better idea of what we can do from a needs of dollars from the capital improvements without having to spend all that money. We do not have it slated.

Mr. Ference: How do we get all that money in there to begin with if we don't have the anticipation of spending it? Half a million dollars is a lot of money that we intended to spend. If we budgeted it why haven't we? Can you explain how we got that much money? Is that accumulation over the years?

Mr. Malave: That is what I believe. I think every year we have moved it forward on ideal projects we wanted to have. I think if you go down to the middle of there, there are some landscaping improvements, and pavement management, we have always thrown a large number in there. You also have that management paving that we gave a cost for. That is a big number, \$165,000. I think the roadways that we needed to improve and repave have been done. The new ones that are needed are a little farther out and can take wear and tear so I think that was the estimate we had of what we would need for the rest of them. We don't really need to do them immediately.

Mr. Ference: So you are going to work with Christine and what you project we will keep in our budget. The rest we will refer to as not budgeting in the future?

Mr. Malave: That is correct.

Mr. Ference: Thank you, sir.

Mr. Malave: Any other questions? With that I thank you and I will see you all next month. Thank you much.

Ms. Pontious: Thank you, Rey. Travel safely.

SIXTH ORDER OF BUSINESS Unfinished Business

A. Ratification of Agreement with Nini's

Ms. Pontious: We need to do a ratification of the agreement with Nini's. What do we need to do with that?

Mr. d'Adesky: If there is any amendments that you wish to make then that would be ratified with certain amendments.

Ms. Pontious: I have a couple amendments I would like to see. One of them is I think we need to extend the 30 days that we take this time to make an analysis of the vacated property to a minimum of 60 days.

Mr. Deane: I think that should be 90 days for the refund of the deposit. I believe we should have at least 90 days to do that.

Ms. Pontious: Can we get away with that?

Mr. d'Adesky: Yes, we can do it.

Ms. Pontious: The other thing I would like to see is Christine has given us a cleaning schedule for the new carpeting and vinyl. I think that should be included so that they know exactly what is expected. That will be done at their expense.

Ms. VanSickle: Absolutely.

Ms. Pontious: Anything else?

Mr. Costello: The only other thing I see as far as the contract goes, is this a one year contract that we are going to review next year?

Mr. Deane: No, it is a three year contract.

Mr. Costello: That is what I thought. Quite honestly, my thoughts were that when they do start paying, I believe we have \$1,000 a month for rent starting next year, there should be an incentive there. These people know a lot of people and a lot of entertainers

and I think they have the capability of bringing in people that would be renting this ballroom. I think it would be a show of good faith if we gave them the incentive that if you brought somebody in here we will knock \$200 off your rent for the month. I think it would go a long way. We would still be making money.

Ms. VanSickle: That is a good idea.

Mr. Ference: And so are they. I don't know that we need to give them any more incentive than we already have. They are going to bring people in because they want to increase their income as well. Why should we give up some of ours, it is so minimal?

Mr. Costello: The reality of it is we would walk away with \$800 for the month in our pocket. Do we want to be greedy or do we want to give them the incentive to give us good service? We just went through a scenario, it is not funny, Bob, it is the truth. We just went through a scenario where these people promised us the world. People that gave us nothing but aggravation from day one. Maybe a show of good faith will get us some good service and some good food. That is the way I feel about it.

Mr. Ference: I think a year of free rent is a pretty good incentive.

Ms. VanSickle: Every time that we have a restaurant we have residents that bring up an assessment for our residents, a \$50 minimum or something like that, which I am very opposed to. I think that the restaurant needs to stand on its own two feet, but I think that this is a wonderful idea because we both make out on that. If the ballroom is rented an extra time and they get a \$200 kickback that is basically what you are saying, right?

Mr. Costello: Yes.

Ms. VanSickle: I think it is a win win situation.

Mr. Costello: Basically what happens is they get \$200 but we get \$1,000 in rent so we made \$800 and they save \$200. Like I said, the last group of people we did everything, we bent over backwards for those people, and they did nothing but kick us in the butt.

Ms. Pontious: I think you just clarified something though, too, that I didn't understand you are talking about only if it brings in a ballroom rental.

Mr. d'Adesky: So a complete ballroom rental.

Mr. Ference: If they bring in a ballroom rental they get \$200 off. If they bring in 2, 3 or 4?

Mr. Costello: They get \$200 per rental.

Ms. VanSickle: We are not refunding money.

Mr. Costello: Up to a month's rent.

Mr. Ference: So if they bring in five events they won't pay any rent to us.

Mr. Costello: We make \$5,000. Are we going to be greedy and want \$6,000? Like I said we bent over backwards for Fire and you know what they did for us. Zero.

Ms. VanSickle: They destroyed our kitchen and cost us money. Some of us were eating in there. That is the scary part.

Mr. Costello: Not me.

Ms. VanSickle: I think that is a good idea. I want to clarify that is not if they bring in a wedding, that it is if they bring entertainment. The rental is a benefit either way. I see it as a win win situation.

Mr. Costello: So do I.

Ms. Pontious: I think you want it to be as a rental, correct? If they come to Christine and say these people want to book, it could be a wedding too.

Mr. Costello: Yes. We are still going to get a \$1,000 on the room. What it is coming down to is let's say they rent the place once. So for that month instead of us getting \$1,000 we are going to get \$1,800. I would say it is kind of a no brainer as far as I am concerned.

Mr. d'Adesky: I guess the one thing perhaps is what you were thinking of with the wedding is that if somebody was going to have a wedding here anyway because this is one of the better venues in Polk County.

Mr. Costello: We would have to have them verify from the very beginning that the reason that they are here is because of that restaurant.

Mr. Ference: Michael, I misunderstood. We are not deducting \$200 from the monthly payment, we are deducting that from the people who pay for the ballroom.

Ms. VanSickle: No.

Mr. Costello: No, not for the people, it is for the restaurant. The restaurant are the people that we are going to try and keep here.

Mr. Ference: So we are going to get \$1,800 instead of \$800 a month if they rent.

Mr. Costello: If somebody rents the ballroom sure. We are going to get \$1,000 in the rental plus we are going to get the \$800 from them for rent for the month. So instead of getting \$1,000 we get \$1,800.

Mr. Ference: I misunderstood that, I am sorry. I do think that is an incentive and restate my objection due to the misunderstanding. I thought we were going to reduce their \$1,000 rent by \$200 then our monthly rent from them would be only \$800. I didn't realize it was based on the hall rental.

Mr. Costello: We would only get \$800 from them but we are going to get \$1,000 from whoever the person is that rents the hall. These people have a wide group of people that they deal with.

Mr. Deane: They have a huge following.

A resident: The first year no rent.

Mr. d'Adesky: It wouldn't apply in the first year.

Mr. Costello: The first year with no rent we are not going to take \$200 off. There is not going to be any refund of money for the first year while they are not paying rent. It should be noted in the contract in that manner but at the same token once they start and I thought I said it in the beginning, but maybe you missed it. Maybe I didn't say it, but once they start paying rent, if we are going to make \$1,000 and we are going to deduct \$200 off their rent, I think we are in a winning situation. I make a motion that we go forward with a \$200 deduction in rent for any verified rental of the hall by the restaurant after they start paying rent.

Ms. VanSickle: Second.

Ms. Pontious: I have a motion from Mike and second from Brenda. Any other comments? All in favor.

On MOTION by Mr. Costello seconded by Ms. VanSickle with all in favor the lease agreement with Nini's was ratified to include a \$200 credit to Nini's Restaurant once they start paying rent for bringing in a verified ballroom rental, to change the amount of time to return deposit to 90 days, and to add carpet and floor care was approved.

Ms. Pontious: That would be another addendum.

Mr. d'Adesky: I will add those two provisions to the lease.

Mr. Deane: That includes the carpet and the floor cleaning right?

Mr. d'Adesky: Yes. To all those provisions that is the carpet and floor cleaning, switch the amount of time to 90 days of return deposit and the \$200 incentive.

Mr. Ference: I thought that Nini's might be their last name. What does Nini's mean? Do you all know what Nini's means?

Mr. Costello: I heard that Nini's is a term that her grandchildren refer to her as. That is what I heard.

Mr. Ference: Thank you.

Ms. VanSickle: I think this shows the restaurant that we are partners in this and we are working together. I think that is the position we want to be in.

Mr. Costello: The last group of people I think we tried to work with them, but it just didn't work out.

Mr. d'Adesky: To clarify, that motion for all changes, that was made to ratify the lease agreement just to be clear for the record.

B. Ratification of Change in Color of Vinyl Flooring

Ms. Pontious: Ratification of the color of vinyl flooring. Do you need to tell us what we changed from and to? How do you want that worded?

Mr. d'Adesky: I would just ratify it.

Mr. Deane: Motion to ratify the change in flooring that has been put down in the restaurant.

Mr. Costello: Second.

Ms. Pontious: We have a motion from Borden and a second from Mike to ratify the change of color for the flooring. All those in favor.

On MOTION by Mr. Deane seconded by Mr. Costello with all in favor the change in color of vinyl flooring in Nini's Restaurant was ratified.

C. Consideration of Floor Care Addendum to Restaurant Lease

Ms. Pontious: Then we have a floor care addendum to the restaurant lease. Christine do you want to review what that is? We have already put it in there.

Ms. Wells: I received floor care instructions from Mohawk, who installed the carpet and vinyl flooring. They have a chart where it breaks down into 52 weeks of what they recommend annual, interim and deep cleaning frequencies. I believe we determined it would be a medium commercial traffic. They recommend interim cleaning on weeks 2, 7, 11, 20, 24, 28, 37, 41 and 46. Interim cleaning methods are either absorbent compound cleaning method or a low moisture encapsulation cleaning method. That would be for the carpeted area and they also recommend a deep cleaning on weeks 15, 33 and 50. That would be a hot water extraction cleaning method. For the luxury vinyl tile they recommend daily regular maintenance as sweep, dust mop or vacuum the floor thoroughly to remove any dust, damp mop the floor with a PH neutral cleaner. They have two different methods of a periodic maintenance, a no polish method and a polished method to scrub the floor with a PH neutral cleaner with an appropriate scrubbing brush.

Ms. Pontious: She will go over that with them so that they understand what the requirements are and we will go from there.

SEVENTH ORDER OF BUSINESS New Business and Supervisors Requests

A. Restaurant Update

Ms. Pontious: Alright, Borden. Do you have a restaurant update for us?

Mr. Deane: As far as the restaurant goes, the cook line has been installed with the new equipment, the gas and everything. The kitchen is basically set up. The flooring in the ballroom is down. The beer line has been replaced. We are basically almost finished. We are waiting for them to come today to tell us how they want the tables laid out. Then they have quite a bit of work to do with cleaning dishes and things like that. I don't think there is going to be any problem opening by the first of June. I want to thank Matt and Christine for the hours upon hours of work they have done to see that this is completed.

Mr. Ference: And let's reflect the work that you did as well, Borden. You put your heart and soul into this.

Mr. Deane: It is part of my job.

Mr. Ference: No one else wanted to do it.

Ms. Pontious: Since you are not done yet, they found some additional things since the last meeting that Borden feels are in a state of disrepair enough that if they continue to be used the way they are we are going to be looking at some large repair bills. Would you like to tell us your findings?

B. Consideration of Proposals to Replace Two Beer Coolers at the Bar

Mr. Deane: The beer coolers that were behind the bar, both of them are over 15 years old. Number 2 the bottoms are rusting out completely. We have a price from one service company just to make some repairs in an excess of \$400, which we haven't authorized. We can buy new beer coolers for less than \$1,800. I believe we should buy two new beer coolers to put behind the bar. I believe we still have enough money in the equipment purchase to buy them under this year's budget with no problem. I would like to make a motion that we purchase two new beer coolers for the restaurant.

Ms. Pontious: Do you have a vendor in mind that you are recommending?

Mr. Deane: Christine has it. I believe they are also buying the same equipment.

Ms. Wells: We received three quotes. The first one was for Central Food Equipment. I just want to clarify it is \$1,685 per cooler. So it would \$3,370 from Central Food Equipment. They all have the same warranty. I just wanted to clarify that as well before I go through all of them. Then Sysco was \$3,033.46 and then I did get an online quote with restaurantsupply.com and called to verify their price is \$2,840.90 shipping on Central Food Equipment and restaurantsupply.com are both 5 to 8 days from approval. Sysco is 1 to 3 days from approval. Restaurantsupply.com does require paid in advance being credit card only and Sysco and Central Foods, since we have an account with them require 50% deposit and then invoice upon receipt of equipment.

Ms. Pontious: I like the Sysco bid from the standpoint that it is a local vendor rather than ordering from somebody online. They will be a little bit better with repair.

Mr. Deane: Possibly yes. It makes no difference to me. All three of them is the same box, the only difference is the price.

Ms. Pontious: Is not the Sysco one the cheaper of the local vendors?

Ms. Wells: Yes, Sysco is the cheaper of the two local vendors.

Mr. Ference: Do I notice that we have over \$9,000 left in the budget for restaurant equipment? Borden, do you see any further costs?

Ms. Pontious: Our numbers are a month behind.

Mr. Deane: These are a month behind. We don't have the bills in there for the salad bar or for the 48 inch flat top that has been purchased. There is \$9,000 not listed.

Mr. Ference: But do you think this purchase will not put us over budget?

Mr. Deane: I know for a fact it won't.

Mr. Ference: I make a motion that we accept Sysco's bid.

Ms. VanSickle: Second.

Ms. Pontious: We have a motion to purchase from Sysco the two beer coolers that are necessary to replace the worn ones from behind the bar. All those in favor?

On MOTION by Mr. Ference seconded by Ms. VanSickle with all in favor the proposal from Sysco in the amount of \$3,033.46 to replace two beer coolers at the bar was approved.

Ms. Pontious: I think we just found how we can get things approved. We just need to have beer.

Mr. Deane: I think we should also surplus the two beer coolers that we are getting rid of at this present time also.

Mr. d'Adesky: That would be a motion to surplus those.

Mr. Deane: A motion to surplus the old beer coolers.

Mr. Costello: Second.

Ms. Pontious: I have a motion from Borden and a second from Mike to surplus the existing beer coolers. All those in favor?

On MOTION by Mr. Deane seconded by Mr. Costello with all in favor motion to surplus the two existing beer coolers was approved.

Ms. Pontious: Anything else?

Mr. Deane: No, that is everything. I am sure that they will be open by June 1st. We are going to sit down and talk to them about that also.

Ms. Pontious: They both have been here frequently over the last couple of weeks and it seems like they are just as excited to be here as we are going to be to have them.

C. Consideration of Resolution #2018-02 Approving the Proposed Fiscal Year 2019 Budget and Setting the Public Hearing

Ms. Pontious: Next we have approving the proposed fiscal year 2019 budget and setting the public hearing date.

Mr. Mossing: The CDD statutes require a procedure for ultimately adopting your annual budget. This resolution that is enclosed in your agenda is going to need your approval to approve the proposed budget included in your agenda. That basically starts our budget process, which has to be at least a 60 day process. We are going to recommend as you did last year to set the public hearing date at your August 10th Board of Supervisors meeting. It means that you will have basically 90 days to continue to review and refine this budget through that process. It is not anticipated that the District would increase its assessments for next year. That gives you a lot more flexibility in time to work with in terms of getting that budget in the condition that you are ready to formally adopt it. We just need to adopt it prior to September. We will need to certify the assessments to the County Tax Collector and Property Appraiser. With that being said we can hopefully address any questions you may have on that budget, but we will be placing that on your next month's agenda for discussion and approval. We can discuss it here, but at this point in time need a motion to adopt that Resolution #2018-02, which just approves the proposed budget and sets your public hearing with a time, date and place.

Mr. Deane: A motion to adopt Resolution #2018-02 for setting the public hearing on August 10th.

Mr. Costello: Second.

Ms. Pontious: We have a motion from Borden and a second from Mike to approve Resolution #2018-02 with a public hearing stated for 8/10/2018. Further discussion? All those in favor?

On MOTION by Mr. Deane seconded by Mr. Costello with all in favor Resolution #2018-02 Approving the Proposed Fiscal Year 2019 Budget and Setting the Public Hearing was approved; and the public hearing date was scheduled for August 10, 2018 at 9:00 a.m. at Lake Ashton Clubhouse Ballroom, 4141 Ashton Club Drive, Lakes Wales, Florida.

Ms. Pontious: We do have the tentative budget pages behind that we can look at.

Mr. Mossing: I will also add that Rey mentioned that he had issues on the budget. We met before the meeting. You are going to see that budget and projections will be significantly different in the revised budget that will be presented at the next meeting.

D. Discussion of Procedures for the General Election

Ms. Pontious: Alright, then. The procedures for the general election.

Mr. Mossing: Enclosed in your agenda package are a couple of documents regarding the qualifying period for the upcoming November election. A couple of key points that are in this paper were and this paperwork we placed on each of the tables for the audience members too, but the qualifying dates are June 18 through June 22. You would need to register at the Supervisor of Elections. The second page outlines some of the procedures that you need to go to actually qualify. I think this Board is probably familiar with that process of paying \$25 or getting 25 signatures. Our general recommendation is if you need any additional information to contact the Supervisor of Elections and clarify their procedures for qualifying.

Mr. d'Adesky: I think that's pretty important. We don't control the process anymore. It is all Supervisor of Elections. The only instance in which this Board would have any say in the process is if no one qualified for a seat then the Board could appoint someone afterwards.

Ms. Pontious: This is really important so please pay attention to this. We have three vacant seats on this Board and I believe there is two vacant seats on the West Board. In the course of the next six months there could be a 50% change in the seating arrangements on the Board. It is important if you have any interest in the ability to do this that you put in your application and as he said, that needs to be done between June

18th and June 22nd. Even though it is a November election your commitment has to be made ASAP. Someone has to sit in these five chairs. The seats that are available are mine, Mike's and Brenda's, so the remaining people will be Bob and Borden.

E. Approval of AmeriGas Pricing Agreement

Ms. Pontious: Ok, Christine. We have an AmeriGas pricing issue.

Ms. Wells: This is just a renewal agreement as included in the agenda packet. The only thing that changed is it went from 69 cents per gallon to 71 per gallon. It is still the Mount Belleview pricing. It is a three year contract like we had last time so it would run from May 2018 to May 2021.

Mr. Deane: A motion to approve the AmeriGas pricing agreement.

Ms. VanSickle: Second.

Ms. Pontious: We have a motion from Borden and a second from Brenda to approve the AmeriGas price proposal. Let me just say that Tricia worked very diligently on this a few years ago. She severely reduced our costs for the gas. Watching the gas prices escalate, we better sign up quickly. All those in favor.

On MOTION by Mr. Deane seconded by Ms. VanSickle with all in favor, proposal from AmeriGas to renew the current contract effective from May 2018 to May 2021 was approved.

Ms. Pontious: Thank you for doing that.

F. Discussion of Joint Meeting Agenda Items

Ms. Pontious: We have a joint meeting this morning at 11:30 a.m. Do we have issues that we would like to discuss as a Board before we attend the joint meeting?

Ms. VanSickle: We got an email last night about the golf course update that came from Doug, you and Darrin. I need to hear it is the position you guys are supporting?

Ms. Pontious: Well the top part says it is Doug Robertson shared Carol Pontious shared Darrin Mossing. When you get to the middle you will read after Chair Robertson meeting with Jim Lee the following document was produced. So I was not in attendance of that meeting nor was Darrin. This is Doug's summary of what happened at the meeting.

Ms. VanSickle: I read the minutes of the meeting where this document was produced but because it came from all three I just wondered if you supported it. I wanted to know your position. I couldn't call you last night and ask. I want to know now.

Ms. Pontious: I have read it two or three times. I think there are still a lot of missing links. We still don't have any information about the cost to operate the golf course so the numbers are kind of pie in the sky numbers. Until we know what it is going to cost we don't know what the ponds cost. He did give us an estimate of what the mowing costs and the care of the golf course. We also have salaries to deal with. If we take on the Eagles Nest we have licensing. We need to know what it is that is going to be inclusive in this deal. We can pay what you said \$750 a year and that is \$62 a month. However if you are going to take in \$2,000,000 because of the fees coming in, those fees have already been collected from this year and we need to ask whether we are going to get a pro-rated share of those fees or whether we are not. If we are not, then you are going to take in money but you are going to spend probably \$150,000 a month divided by 1,500 homes. So I personally think the missing link is what are the expenses and what is it really going to cost when you analyze the income versus the expenses.

Ms. VanSickle: I recall at the recent meeting we delegated you as our Chair and Doug was delegated by his CDD to go and meet with them. Why did this not happen?

Ms. Pontious: I don't know that and I can't answer that. Darrin and I met with them twice. Once in the conference room here and once in Mr. Lee's office. Whatever meetings have taken place since then we have not been there.

Mr. Costello: Do we have an outside agency that is looking at giving us an idea?

Mr. Deane: It is pending. It has to be discussed at the joint meeting.

Mr. Costello: Ok, because I don't know, can we accept the figures of the owner?

Ms. VanSickle: Absolutely not.

Mr. Costello: I am not surprised at that answer at all, but by the same token it simply appears to me at this point that we are kind of being pressured a little bit to buying something without being able to totally investigate it. I think that is one of the necessary links to all of this.

Mr. Deane: I don't think we have anywhere near enough information to even consider purchasing the golf course or anything else. I think it has to be discussed at the joint meeting. I believe we should get an expert to give us an opinion of the value of the operation costs and everything else of the golf course. I don't believe that we should take Mr. Maxwell's word. He gave us a lot of words regarding a lot of things before he left this community and never did any of them.

Ms. VanSickle: My concern was this was going to be a joint effort between the two CDDs. I feel that our Chair was left out of that process. I have an issue with that.

Mr. Ference: Before we go any further, didn't we authorize a golf course acquisition feasibility study?

Mr. Deane: No, it hasn't been authorized yet.

Mr. Ference: Before we do anything else, shouldn't we find out what this independent feasibility study brings to the table?

Mr. Deane: That is what I just said.

Mr. Ference: Then why go any further with this discussion? Let's put it off.

Mr. Costello: I think the reason why the discussion has gone further is due to the fact that the owner of the golf course quite honestly is trying to rush the situation. He is trying to make it sound like time is of the essence. He wants to sell it. We either want to buy it or we don't want to buy it.

Mr. Ference: I thought he withdrew the sale. He does not want to sell it. He put off the sale of the golf course.

Mr. Costello: In this year I thought somewhere along the line, not only that he speaks in one of these that he wants to retire and he wants to get rid of the golf course, but he wants to rent us the RV Center. Well if he is renting us something he is still working as far as I am concerned. I was a firefighter, but you don't see me running out fighting fires at this point. I retired.

Ms. Pontious: I think in a conversation Doug and I had, his concern was do we really want to spend \$30,000? Do we really need to expend the \$30,000 to get the information we want? So that is the first question.

Ms. VanSickle: Absolutely.

Mr. Deane: If we don't spend the \$30,000 how are we going to know what the costs are? We have to have the proper information to form a proper opinion as to whether we should obligate the residents to purchase two golf courses. I am sorry that is my opinion.

Mr. Ference: No matter what Maxwell says, pushing us forward, we will make no decision until we get this feasibility study. So let's not worry about meeting with him or not meeting with him, should we do this next month. We are not going to do anything. Why should we meet with him and discuss something we don't know anything about.

Mr. Costello: We will be able to talk to the other CDD later on today to find out which way because we are going to have to go together if we are going to buy this together. It is a joint effort.

Mr. Ference: Together we can talk, but meeting with Maxwell or Lee or anybody else is insignificant at this point.

Mr. Costello: We have a 45 day hanging over our heads according to him where he is going to put it on the market. I am sorry but I can't see us being rushed into something and then turning around and saying what did we do.

Mr. Ference: Is he blackmailing us? There is no market for golf courses.

Mr. Costello: I am not saying that.

Mr. Ference: We have 45 days or he is going to sell it. Good luck.

Mr. Costello: I agree with you wholeheartedly.

Mr. Ference: Why are we looking at that as if we have to make a decision in 45 days? We do not. Notwithstanding what he says. If you want to put it up for sale there is no market for golf courses. They are all over the place.

Mr. Costello: You read this, which I received in an email last night. If you read this, the person who met with them is saying that in 45 days he wants a decision. I agree he is not going to sell this place overnight, but by the same token it appears that we have people who want us to make a decision prior to investigating it. I am sorry you wouldn't do that in your personal business and I don't see where we should do that in this business.

Ms. Pontious: Doug has a comment.

Mr. Robertson: You are having half a conversation. You are making all sorts of statements that you don't know the facts. I am not at liberty to talk about it right now. It is for the joint meeting. You are misinterpreting all the information and getting all blown up without ever hearing the whole thing in a balanced presentation. I don't understand why we don't have this conversation at a joint meeting where it is supposed to be.

Mr. Costello: I think everybody here agrees with you. This afternoon we are going to have another meeting and we will sit down and discuss it amongst ten people.

Mr. Robertson: We are cranking up the rhetoric about all these statements that are being made that are absolutely untrue. You are making these statements and then you are bouncing off each other and you don't even know the facts. Why don't you wait for the joint meeting?

Mr. Costello: We are willing to wait for the meeting and getting loud doesn't make it anymore right. We are willing to wait for the meeting, but by the same token we have the right to sit here at our meeting and discuss how we would like to go forward.

Mr. Robertson: Yes, you do.

Ms. Pontious: Ok, have we had enough on this now?

Ms. VanSickle: I think so.

Ms. Pontious: Anything else on joint meeting items that we need to discuss here?

G. Approval of Amendment to Community Watch Solutions Contract

Ms. Pontious: The Community Watch Solutions contract, you want to postpone that to the next meeting?

Mr. Mossing: Yes.

EIGHTH ORDER OF BUSINESS

Monthly Reports

A. Attorney

Ms. Pontious: Alright we have attorney report.

Mr. d'Adesky: Nothing additional other than what you tasked me with.

Ms. Pontious: We were to have a meeting today with Mr. Earl. He has declined to attend that meeting today so that will be postponed until another time. Thank you very much, we have enough meetings today.

Mr. d'Adesky: Yes, it was going to have to be a 5:00 p.m. meeting and I was joking I would have to bring my sleeping bag at that point.

B. Community Director

1) Monthly Report

2) Quarterly Security Update

3) Approval of Ballroom Window Replacement

Ms. Pontious: Ok, Ms. Christine. You have a pile of papers in front of you so tell us what we need to hear.

Ms. Wells: I included in the agenda packet the community director report. I first just want to see if anybody has any questions on anything that was included in that report. Also I sent out last night there was a quarterly security update which is basically just a spreadsheet that includes our security and guest registration totals. The first quarter of 2018 we had 1,375 guests registered at the clubhouse, 22,716 vehicles processed on Thompson Nursery Road and 46 identification cards issued. I just wanted to point out in January it says zero cards were issued and that is when our system was down. That is why there was zero cards issued at that point. Did anybody have any questions on that? Then the last thing under community director's report is approval of ballroom window replacement. Supervisors should have received a memo and price analysis via email and printed copies. We received three quotes. This is part of the fiscal year 2018 capital budget to replace the four large window panels that are on the south side of the ballroom overlooking the garden. We received three quotes. Also the replacement of the wood sills with the granite sill. Historically we have had water intrusion issues with that to where it has flooded. It damaged the wooden sills on the windows. We have gathered three quotes. The first quote was from Custom Glass and Door. All three quotes include the removal of all glass from the current aluminum framing, removal of all the aluminum framing, installation of sill pans and new white store front framing with a quarter inch solar grade plate glass windows plus all related cleanup associated with construction. Custom Glass and Door estimates it will take a maximum of 12 weeks to receive the materials and approximately four weeks to install. A warranty of one year for workmanship is included. They also will include the boarding up of any windows that

are open in the middle of construction. They will board up if we can only get halfway done or one panel done. They will include all the boarding. The second quote we received was from Central Window Sales. Again it includes the removal of all glass from the current aluminum framing, removal of all aluminum framing, installation and cleanup. They estimate it will take approximately 6 to 8 weeks to receive the materials and approximately 2 to 3 days to install. A warranty of five years for workmanship and five years for the framing is included. The third quote we received was from Southern Glass, who has done some of the sealing of the windows in the ballroom. Again they include the same removal, installation and cleanup. They estimate it will take approximately 6 to 8 weeks to receive the materials and approximately 3 weeks to install. They are including a warranty of one year for the workmanship. I just want to point out I don't know if you guys noticed the difference in times to install. Central Window Sales has said that they are going to have a dedicated team here. That is why their installation is only two to three days. They are going to take one panel out at a time so there won't be any boarding included with that. Southern Glass does not include boarding so boarding would have to be done separate by staff. Then we received two quotes for the window sills. We received one from Burns Flooring and Kitchen Design that includes removal of the current window sills, fabrication of new granite slab level one sills and installation. The other one we received a quote from Golden Marble and Granite which includes removal, fabrication and installation. On the pricing analysis you will see that Custom Glass and Door quoted \$36,976 for the windows. Central Window Sales quoted \$32,347.36. Southern Glass quoted \$42,914. Burns Flooring and Kitchen Design for the window sills quoted \$2,516.74 and Golden Marble and Granite quoted \$1,720. I believe that we have \$66,000 in the capital budget for window replacement so all of the quotes are under that amount.

Mr. Deane: Christine, do we have any references on all these companies that we have never used?

Ms. Wells: That is one thing that I could not get to. I can get references if you guys have a particular company that you prefer to go to then we can check references. It took

a while to get these quotes together. There was a lot of moving parts that they had to get on their end so we got them kind of late. I wanted to get them to you guys so I don't know if you want to approve a certain company based on reference checks.

Mr. Deane: I will make a motion that we get reference checks on Central Window Sales for the installation of the windows in the ballroom. We have used Southern Glass before, they supposedly fixed the leaks before but they are still leaking. I wouldn't even consider them. They are the highest price anyway.

Mr. Ference: Andrew, do you have any input on these companies or companies like them that you have worked with before with their history and their reliability, etc.?

Mr. d'Adesky: Not particularly, no.

Ms. Pontious: Are we confident that two issues are being addressed here? One is the solar issue and the second is the hurricane issue.

Ms. Wells: Matt was working with them, speaking to the vendors. Matt, do you know if they questioned any of that?

Ms. Pontious: Just to clarify, it is only doing the front bank of windows at this point.

Mr. Fisher: Yes, it is the four larger panels on the southern side. If we want to go with Central Window I can ask them about the durability of the glass panels.

Ms. Pontious: Will they look similar to what we have now?

Mr. Fisher: They are going to look exactly how they are now. They are a store front style of window. I can ask them about the durability of the window panes.

Mr. Deane: They aren't going to leak, right?

Mr. Fisher: Right. One company we did reach out to expressed the roof, but we just got that redone so that wasn't considered a possibility. We had it inspected in the past so it is obviously coming in through the little slits on the fronts of the storefront windows identified by Central. I will ask them about the durability of the glass.

Ms. Pontious: It is pretty exclusively from storm issues coming from the south.

Mr. Fisher: It is and the seals that are in between each pane have a shrinkage due to the sun exposure. If you look on the outside of those windows there is openings. There is supposed to be peepholes underneath that aren't there. I will find out more.

Ms. Pontious: Learned a lot about windows this month.

Mr. Fisher: Yes, I did.

Ms. Pontious: We have a motion for Central Window Sales pending reference checks and Golden Marble, did you include that?

Mr. Deane: And the Granite Marble company, the \$1,720 quote.

Mr. Ference: Second.

Ms. Pontious: I have a motion from Borden and second from Bob to do Central Window Sales at roughly \$32,400 and Golden Marble at \$1,700 to replace the front bank of the windows. Any further discussion?

On MOTION by Mr. Deane seconded by Mr. Ference with all in favor proposal from Central Window Sales for \$32,347.36 to replace ballroom windows and Golden Marble & Granite for \$1,720 for new granite window sills pending references being checked were approved.

Mr. Ference: Is there a timeline to find this out? Should we hold this up until the next meeting?

Ms. Pontious: No, we are going into rainy season so we need to get it fixed.

Mr. Ference: Alright.

Ms. Pontious: It would be nice to have them done before the summer rains. Ok, I think we are set to go then. Thank you for your efforts in getting all this done.

C. Field Operations Manager

Mr. Fisher: Before the meeting we had put the operations manager report in the agenda packet. Any questions, I will be happy to answer. A couple of updates, Yellowstone replaced some sod around the clubhouse. This northern area has taken off very nicely. There is a patch in the grassy area that is a little brown. Chris assured me that is it going to green up once it roots. He also said they were replacing the sod if it didn't take. In that area by the bocce court, it is not taking as well. I am keeping an eye on that. We will address that next week when I meet with them. Also going off the last meeting I did reach out to Nidy concerning bocce ball court refurbishments. He is going

to meet with me next week to look at the possible repairs and get some quotes gathered. I know the pavers I had two quotes previously, but I will get those updated, picking those up and relaying them. I know they are sliding off a little bit on the northern side which can be a trip hazard. The scoring needs to be replaced. You can barely see the numbers on there. I will get all that and get those quotes to you guys. Any further questions? Thank you.

Mr. Deane: Thank you, Matt, for all you do.

D. CDD Manager - Number of Registered Voters in the District - 1,392

Ms. Pontious: Do you need to tell us anything about the registered voters?

Mr. Mossing: No, other then we are annually required as of April 15th to report that to the Board of Supervisors.

Ms. Pontious: Ok we have 1,392 registered voters on the east side. We have one other item here that was on the joint meeting but I just wanted us to take a look at it first before we did that. Christine drafted up a letter with our concerns about persons attending events that should not be here. I just wanted to make sure you took a look at that because it will be presented again at the joint meeting. If you have any questions of here, are you going to be at the other meeting, too?

Ms. Wells: Yes.

Ms. Pontious: She will be there. She has drafted it hoping that they will consider it, as well, and it will go out as a joint letter from both sides. If not, it will go out as a letter from our side so that we begin to alleviate some of these issues.

Ms. VanSickle: I think it should positively go out both sides. I am hoping that we can come to an agreement with them over that because I think it is a lot more effective. Otherwise I am fine with it going out from us.

Ms. Pontious: Ok. So we have permission to send that out if we don't have a joint agreement because I think it needs to go out now when she has time over the summer to work on some of these issues.

Mr. Deane: Yes.

Ms. Pontious: What I am talking about, I am sorry I am talking to them, this is a letter from Christine to the controllers of the various activities. They signed an agreement when they became a club group or organization that the only attendants at those activities would be Lake Ashton residents. Some of the clubs, groups, and organizations have deviated from that and are now including people from the outside or relatives from the outside. As we continue to grow it is not a good thing because we have some clubs reaching max and not space for other people. What this tells them again is that the clubs must be a minimum of 5 active members, no club may be formed or activities held within the amenity facilities for commercial or profit making purposes. The purpose of the club is to provide lifestyle enhancing opportunities to Lake Ashton residents and not to sell products. They have to have some kind of a bookkeeping system in place. Club membership and activities must be available to all residents. Criteria for the club should be governed by the individual clubs by-laws. Rules apply to the formation and admissibility of clubs maybe modified at the discretion of the CDD Board of Supervisors. Violations of these policies of any club may result a little stronger will result in the loss of that club's privileges within the amenity facilities. So what that means is if you choose to ignore this you will no longer be able to have meetings in the facility here and you will not be permitted to use the various media presentations because essentially what you have then is a private club that you should be notifying by personal email of what you are choosing to do. If any of you are club organizers take heed because we are coming down. We need to enforce the rules as they are written or change how they are written one or the other. That is what we intend to do over the summer when Christine has more time. I think I have reached the bottom of the essential pile. Anyone else have anything before we continue with the financials?

NINTH ORDER OF BUSINESS

Financial Reports

A. Approval of Check Run Summary

B. Combined Balance Sheet

Ms. Pontious: Approval of the Check Run Summary. Do we have any issues with what has been spent in the last month?

Mr. Ference: I make a motion that we accept the check run summary.

Mr. Deane: Second.

Ms. Pontious: We have a motion from Bob and a second from Borden to accept the check run summary. We actually didn't spend a whole lot of money this month. That was kind of refreshing. All those in favor.

On MOTION by Mr. Ference seconded by Mr. Deane with all in favor the check run summary was approved.

Ms. Pontious: The combined balance sheet. Darrin, is there any information in there that you need to share with us?

Mr. Mossing: We generally report on the assessment collections. I think it is at 93%.

Ms. Pontious: It is at 96.45% so we came up 3% this month. That is great.

Mr. Mossing: We anticipate being fully collected by the end of next month.

Ms. Pontious: A couple of things I spoke to Christine about for over the summer when she has more time. That electric bill is not coming down the way I'd like to see it. I know TECO is a miserable group to deal with but if we can get any answers as to say what we expected to happen is not happening we need to work on that over the summer too.

TENTH ORDER OF BUSINESS

General Audience Comments

Ms. Pontious: We are ready for general audience comments.

Mr. Scali: Tom Scali, 3084 Dunmore. Just a question, what is special events \$130,000 on the proposed budget?

Mr. Deane: The entertainment series.

Mr. Scali: Thank you.

Ms. Pontious: Is that accurate because the entertainment series should be more than \$130,000 isn't it?

Ms. Wells: It is the budget for all the special events that we do here. Any shows or events that we do, supplies that we need for those events, it comes out of that budget.

Mr. Zacharia: Murray Zacharia, 4004 Dunmore Drive. I don't think I have said this during 2018 so it is time for me to report it again or at least mention it. General

audience comments, the use of the word audience continues to bother me. These people out here are not here to view a show. They are here as voters, non-voters, District members, the public. There are so many other words other than audience. Unless audience is required by law I would suggest we change the name of this agenda item and the way we are referred to by the members of the District and staff.

Ms. Pontious: What would your pleasure be?

Mr. Zacharia: Public is good with me.

Ms. Pontious: How about residents?

Mr. Zacharia: I think the meetings are open to residents and non-residents.

A resident: Only residents should speak.

Mr. d'Adesky: You have to let everybody speak.

Ms. Pontious: Can we make Murray happy today and have this changed?

Ms. VanSickle: Let's make Murray happy.

Mr. Deane: Make it public comments.

Ms. Pontious: So we can do that for next time when you put out the agenda would you change that word please?

A resident: This question is directed to the attorney. You mentioned that the public can speak. Could you explain why that is allowed?

Mr. d'Adesky: Sure. We are a government, so this is technically a public meeting. This is open to the public. Anybody who is somebody that might have a concern for the District even if they are coming from outside the District. For example, if they were a business owner down the road and they wanted to come in here and make a comment that pertained to Lake Ashton, they have the ability to do that. We are an actual government and we have to be open for the public to come and present their concerns and questions and anything that might come before this Board.

Mr. Costello: Wouldn't it also be the fact that this meeting is a meeting in Lake Wales CDD whereas some of the people sitting here are from the other CDD and you are always welcome. They are not truly governed by whatever goes on here.

Mr. d'Adesky: That is possibly the best example of people who are technically outside of the CDD. They are not residents of the CDD, but they have an interest of, in fact in this case a very high interest in what goes on in this CDD, especially there being an interlocal agreement.

Ms. Pontious: Anything else? Public or Board?

Mr. Costello: The only thing that I do is a question, and I spoke with Christine about this yesterday, was the robo calls. You said that we are pretty close to straightening that out hopefully. The only reason that I ask is that we are coming upon hurricane season. Quite honestly, I would like to see it in place as soon as possible.

Ms. Wells: The agreement was signed with the HOA and the feature has been added to the website so I am going to be working with Valerie in putting out some media to show residents how to sign up for the text alerts and voice alerts. Then we will move forward with establishing the messages. My goal as well, as I spoke with you, is to have it before storm season. Storm season starts June 1st. I want to put something out in the LA Times as well as any form of media.

Mr. Costello: We appreciate it.

ELEVENTH ORDER OF BUSINESS Adjournment

Mr. Ference: Can I make a motion to adjourn the meeting?

There not being any further business to discuss,

On MOTION by Mr. Ference seconded by Mr. Costello with all in favor the meeting was adjourned.


Assistant Secretary/Secretary


Chairman/ Vice Chairman