

**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 Friday, August 10, 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
Bob Ference	Assistant Secretary
Mike Costello	Assistant Secretary

Also present:

Darrin Mossing	District Manager
Jillian Burns	Governmental Management Services
Jan Carpenter	District Counsel
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: I have a few requests to speak so let me just give you the order so that you can be ready. Bear in mind that we have probably a good six hours of meetings

today so we want to keep this moving. Jack VanSickle, Debby Landgrebe, Ron Buran, John Covelekskie, Richard Sutherland. Jack, you are it.

Mr. VanSickle: 4060 Ashton Club Drive. I just wanted to reemphasize to the Board there are several issues that are going to be looked at and hard decisions. One is the golf course property. We have heard everything that it is going to turn into low-cost housing to whatever. After spending five years on the Lake Wales Planning and Zoning Board I am somewhat familiar with zoning. All the property in the Lake Wales side of Lake Ashton is in what is called PDP. It was developed as a development. To do that construction the developer actually got waivers and a lot of things to build houses. Most houses do not meet the city requirements of setbacks, lot size, and those types of things. There were concessions for that. The concession was you have to have X number of acreage of open space for the properties of the houses that were built. All of the golf course property and the common areas that the CDD owns are considered that open space. That being said whatever happens to the golf course property you will never have houses on that property. It has been used as a recreational type property or open spaces so everyone can enjoy that. The point is we won't have more houses if for some reason the property does not stay a golf course or is bought by someone else. They could not change that. It will not happen. Take that into consideration. The other one is the money to buy the golf course. There are more hidden dollars there than I think people see. I started looking at the assessments that the golf course currently pays. If the CDD buys that property those funds will not be coming to the CDD and that means those funds have to be made up somehow, which will mean it will go to the residents. I have the numbers. I know they were floating around. I think you Supervisors do have those numbers. Go ahead and add them up. This is not going to be an expensive thing, it is just issue of O&M. Trying to buy that golf course is going to take a decision and a way of getting money. Right now you are in an area of the financial budget cycle. You can't raise assessments so you are going to have to do that with money that we currently have. How much risk are you going to put on other properties and things we need to do? Please look at those before you make a decision. Thank you.

Ms. Landgrebe: Good morning. Gullane Drive, Lake Wales. First I would like to just remind everyone that our community is an aging one and our amenities are aging. I think the amenities may be aging more quickly than we are. In regards to the golf report, this is my opinion, I don't believe that report was complete, especially since it called itself a feasibility report. It appears that it primarily looked at one option if you combine buy versus don't buy as one option. Where are the other options and why weren't they explored? Even in regards to residents supporting the proposal is that we not only support it, but then we have to pay to use it. So what if that option is twisted and we supported it and we don't have to pay to use. I don't pay to use the school and yet I pay to support it. I just think it was not adequate. In regards to even the operating system to say the water system is adequate I don't understand that word adequate. Are they proposing that it is a five year life left on it? I just think it should have been delved into a little deeper. Since I believe it is incomplete I would suggest that if it hasn't been paid that you renegotiate the price or at least go back and say you guys need to look at this a little deeper and look at various aspects and come up with better pricing, etc. Thank you.

Mr. Buran: Ron Buran, Lot 947. I have a question concerning the email that was sent out Friday afternoon and very wisely disavowed by the CDD Board. Does anyone here know who that can be attributed to and how did they gain access to the association of the West distribution system and all the email addresses of everyone in our community to send it to? Do any of you know who wrote that and didn't have the, call it courage to sign their name to it? In another venue I wouldn't use that polite a term.

Ms. Pontious: We know how it was accessed and we know where it came from. If you push the reply button it would have gone back to the Mary Bosman, the Community Director of the West.

Mr. Buran: So she is the CDD director?

Ms. Pontious: She is an employee of the West CDD.

Mr. Buran: Did she alter the report or just put it on the site?

Ms. Pontious: I cannot answer any of those questions, I don't know.

Mr. Buran: Is there any way to find out?

Ms. Burns: We have heard about this and seen it and we are going to address it with the West Board to make sure that things don't go out to the community without going through the District Manager. She at this point has the authority to send out emails so that is a West issue and we will address it at the Board meeting this afternoon.

Mr. Buran: It wasn't sent just to the West. I don't live in the West.

Ms. Burns: East and West have an interlocal for sharing and they have been sharing that so the Board may want to talk about this later today whether they want to continue that or how they want to handle it.

Mr. Buran: Any message that comes through that portal should be required to have attributions as to who wrote it, not send out anonymous messages.

Ms. Pontious: We agree and that will be addressed.

Mr. Covelefskie: 4616 Turnberry Lane. Good morning members of the Board and thank you for allowing me to speak. My wife and I are both golfers so apparently I am going to be talking about the golf. I had recently sent out an email to all Board members and this is just one item I would like to address that I haven't really heard before from any of the comments made. There are times we have to look at what is best for all of us. It is best in my opinion for all of us as a community to obtain stewardship of the property we are talking about. This is a large portion of the property inside of our gates. The best way for us to do that is to purchase the courses is my perception. Outside ownership will not have the resident's best interest at heart. A profit will be the main goal that could be detrimental to homeowners because he may choose to let areas around the golf course become unattractive, unmaintained resulting in lower property values. For example take a look at our ponds, lakes, and areas that have been neglected just recently by Mr. Maxwell. He doesn't have the same pride of ownership for the community that he may once have had. Note that Item 10 of the 11 a.m. agenda is a request for the golf course to resume mowing areas previously cut that aren't being cut. He is also not maintaining the ponds nor does he have a budget to maintain the ponds. Remember the only thing that the golf course needs to spend dollars are the playing surfaces. Everything else can go back to nature. Nature is pretty at times but a scummy pond, a pond that you can't fish

on and smells. You look at major golf courses and this is what you see. That is all I have to say for right now. Thank you.

Mr. Sutherland: Richard Sutherland. Good morning. Lot 307. I have requested to speak with you about the incident that occurred with Mike Costello back in June and was reported in the minutes on July 13. I sent a request to the Board to find out who was involved in the incident but I never got a reply. I was never notified and I am the President of Lake Ashton Democratic Club and that is the capacity that I am speaking with you. Our intent obviously is always to comply with the rules. Anybody who would have made a remark to Mike Costello who is a Board member is like pulling on Superman's cape. That is just stupid to do. It isn't our intention to alienate the Board or anything else. We want to be good citizens here. If you have any questions that I can answer I would be happy to do so. We intend to comply with all the rules all the time.

Ms. Pontious: Thank you we appreciate that.

THIRD ORDER OF BUSINESS

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

Ms. Pontious: Alright we have minutes from July 13. Are there any additions or corrections to those minutes?

Mr. Deane: Motion to accept the minutes.

Ms. VanSickle: Second.

Ms. Pontious: We have a motion from Borden and a second from Brenda to accept the minutes.

On MOTION by Mr. Deane seconded by Ms. VanSickle with all in favor the minutes of the meeting held on July 13, 2018 were approved.
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FOURTH ORDER OF BUSINESS

Engineer's Report

Ms. Pontious: Mr. Rey, we need you to talk to us today, please.

Mr. Malave: Good morning. I have a few things on the agenda. The first one just to update where we are with the drainage and paving work that we have approved. We

have a contractor. We are working very closely with him to try and get them onsite. What I understand from him is that due to the rains he is behind on his schedule on some other work but he is committed that the latest he would be here is right after Labor Day. We are trying to get him to get here sooner. We are going to continue to monitor that with Matt and Christine and make sure that they get out and get this work done before the additional residents of the community come from the north. Second is the clubhouse, we have talked last meeting about the patio. We were working a little bit trying to get some better costs from contractors etc. and at the same time I was talking to our internal architects and structural engineers. The patio roof that we are talking about, nobody will give us a price unless we have some type of construction drawings schematics that show the structure members and the foundation. My staff of architects indicate that they would have to do some preliminary designs doing some measurements here to give a somewhat more precise structure. Then they can give it to the contractor to price. I did not want to spend your money without your approval. It could be an endeavor that could be \$6,000 or \$7,000 worth of design from the architects in coming up with a roof design and some schematic foundation designs that could resist - the biggest one is the wind load design because of it being an open canopy. That will require some structural members and some great foundation so in order to address that I wanted to get your approval before I tried to spend those dollars going forward with that.

Mr. Ference: Rey are you pretty committed to the fact that it would not exceed \$6,000 or \$7,000?

Mr. Malave: I can commit to that to stay within that dollar range and budget.

Mr. Ference: Ok then I will make a motion that we stay within that dollar amount.

Mr. Malave: Make it \$7,000 just to be round.

Mr. Ference: That' fine. Rey, would that work, will you just encompass the patio area?

Mr. Malave: That is correct. My scope would be, and I will write this and make sure that we get it approved as per the minutes today, design of the structures that will be required for the roof and foundation system to adequately be permitted for hardening the roof on the patio. Does that make sense?

Mr. Ference: Let it be noted in their work as they go forward if they discover other problems or other areas that may need to be looked at because we haven't done much work outside in that patio area. While the engineers are there let it be known by them that if they come across something would we like to know if there is any other deficiencies or weaknesses or areas that may need our attention in the immediate future.

Mr. Malave: Will do.

Mr. Costello: I have a question. What was the amount of money we spent for a repair last year after Irma on the patio cover?

Ms. Wells: We actually haven't replaced the awning. We only did the temporary repair and it was \$2,080. There is a line item in the hurricane loss statement for the awning replacement. It would be just replacing with the current canvas that we have. They have submitted a quote of \$11,000. That would be covered under the hurricane loss if we just decide to replace it. It is just replacement of the existing system. Just the canvas covering.

Mr. Costello: My question becomes are we going to spend \$7,000 for a set of plans and then who knows how much in order to build it. Are we doing the right thing as far as can, we just leave it the way it is and not spend money?

Mr. Malave: That is the question. At the last Board meeting I gave a budget approximately based on the preliminary analysis of what our architects were indicating. It would be in the level of about approximately \$125,000 to build that. It is a structure.

Mr. Costello: I can't see spending \$132,000 to save something that may cost \$13,000.

Mr. Ference: I think the point is that it is an area of our domain that is not being used or would be used more often or regularly if it were void of insects, bugs, etc. etc. so it plays the same role as the swimming pool. It is costly. It is costly to put lights up. It is costly to take care of this and that, but it is what the folks would like to see because they want to utilize that. This area is not being utilized because of the physical conditions that exist today. We are providing for them an area that will be utilized not only today and tomorrow but I hope for a very long time. It will be money well spent because it is our purpose to listen to what the people's needs are or wants. They expressed a desire to have an outdoor area that is there but is not being utilized.

Mr. Costello: Are we having a major problem with it not being utilized for the reason of insects? I just assumed it was heat more than anything.

Mr. Ference: When the sun goes down then the mosquitos come out. Sure it is a matter of keeping insects, etc. etc. Yes. Like our patios in our houses, we wouldn't think of having a porch in the back yard that is not screened in.

Ms. VanSickle: I think the bugs are an issue but we spray. Right now I think we need to be very cautious about our expenditures considering what we have been talking about. I think we need to be very cautious at this point. I think about nine years ago I think it was before we got on the Board, they had a lot of insurance money and the decision was made not to do it. I think that was a mistake. I think the price then was only about \$30,000 so I think we may have missed our window of opportunity. I think we need to address some of Bob's concerns and I think spraying. What other options can we do to control mosquitos?

Mr. Costello: I simply feel that we are talking a large amount of money and like Brenda said we have other issues that we are looking at. I think the money could be spent better elsewhere.

Ms. Pontious: Bob made the motion. We need to have a second if we are going to continue. I think maybe the sound of it we might need to hear what else we have to do yet today before we make that decision.

Mr. Ference: We are going to allow Rey to use that \$7,000 for design plans, or are we going to negate that now?

Ms. Pontious: We don't have a second to your motion so.

Mr. Ference: Ok.

Ms. Pontious: Is there a second? I think the consensus is probably we need to address other things today and see where we go from there.

Mr. Malave: Just to clarify, there was some issues or concerns about the roof and area there aside from the canopy. Do you still want us to address that if there are maintenance issues?

Mr. Costello: How much are we talking about on that?

Mr. Malave: I have not looked at it. I will have to look at it. I think if we wait for another 30 days for me to look at and see what it is and tell you what it would cost we are not going to lose anything.

Mr. Ference: The design plans today are not going to be what they will be a year from now. It is like we missed the opportunity. I think getting design plans that would provide for future building if not building currently would be money well spent because prices are not going down next year or the year after. I think having those plans in hand a year or two from now when we have the money, how much are we going to spend for what we could have gotten away with years earlier? I am looking at it from that perspective as well as what will they find when they look at the roof area. That is why I said Rey, when they were out there looking they should be mindful of other areas of their expertise that may need attention. That \$7,000 I don't think is money poorly spent. We may want to forego to completion but having those documents from design on hand will come in handy going forward. I think more recently priced today than tomorrow.

Ms. Pontious: I think we all would like to do it but I think for lack of a second the motion will die until we see what happens next here.

Mr. Malave: The last thing I had was addressing the question brought to us relating to a house on 4188 Dunmore. Noted in the plat book as lot 493. There was a question of a structure that is within an existing easement that is owned by the CDD. We have reviewed that and when you pull out the plat there is clearly a dedication of an easement behind all those lots that are adjacent to the golf course. There is a swale there, be it minor but it is a major conveying system, and second the swale is part of our storm water permit with Southwest Florida. It cannot really just for the sake of doing it, we cannot release doing anything intervening with that swale especially any structure that is actually as we understand it within our easement. There are two options that we can recommend. Anything else we want to add to that before I go into the options?

Ms. Carpenter: We discussed this previously and this came up a number of years ago on another home. It is noted on the plat that the CDD has the easement and the easement is subject to our Water Management District.

Mr. Malave: The two options are, one they remove the encroachment of the facility outside of the easement so we can be in compliance with our permit or that the owner of that particular property hire an engineer to do a modification like we did previously on another example. The owner hired an engineer. They went and got a modification to our permit. We signed off on it. We reviewed it and approved it. S.W.F.W.M.D. did approve it. We believe in this particular instance getting an engineer to submit that application that they should be successful. I can't guarantee that but it is the likelihood that it would happen. As a Board the only thing that we need to do is address the saying that we concur with letting them do that. The permit still has to come to us for our approval and signature because the permit is in the name of the CDD and not of the homeowner. Those are the two options for the homeowner and I will leave it at that for any questions.

Ms. Carpenter: I will just clarify a little bit that the District required that the homeowner will retain the District's engineer so that we can make sure that anything that is going to be submitted to the Water Management District comes through our engineer so that it is in compliance with the permit. You can't just have somebody else submit something in the name of the CDD. I believe in that case they retained the District Engineer. It was Atkins at that time to handle the permit and modification and the District has to sign off on that. So as long as the permit is legally modified I don't think there should be any objection on our part but the Water Management District has to go through to make sure that the encroachment isn't going to effect the drainage system.

Mr. Malave: The timeline for that, just so everybody knows, is at least 30 days is what it took to do the last one on the lot on Turnberry. That is the process you have to follow. It is going to depend on their workload and how fast they can process the permit.

Mr. Ference: If we own the land, why does the property owner have to pay for the modification of the S.W.F.W.M.D. permit?

Ms. Carpenter: The CDD doesn't own the land. The property owner owns the land and apparently in the title it showed up that there was this encroachment so they asked the CDD to release our easement over that portion. The CDD cannot release that because we are subject to the water management permit. When they approached the CDD asking

for the release we looked into it and said we can't do that, that is a water management issue. If they agree to do it, then we could probably do it.

Mr. Ference: So the only way they can sell that property is if they hire an outside engineer to provide enough information.

Mr. Malave: Jan indicated that they have to hire the District because of reviewing it so it stays in compliance with our permit.

Ms. Carpenter: The CDD can't release it without us getting a modification of our permit. The Board the last time did not want all the residents to pay for that, they thought that it should be the resident who is requesting something different.

Mr. Malave: This is very similar to a case that we did like three or four months ago as I indicated on a lot in Turnberry that wanted to install a pool and we worked with them. They did hire us on a separate basis. It was approved pretty much in 30 days.

Ms. Pontious: Ok, it is my understanding that the homeowner and a representative are here. Do you understand what needs to be done?

A resident: Yes. Do you know the name of the engineer that did that last one?

Mr. Malave: It will probably be me. Come see me when I am starting to leave and I will be happy to give you my card. We will work with you.

Ms. Pontious: He does not normally stay for the whole meeting. I wanted to make sure that you knew each other and connect before he leaves.

A resident: Thank you.

Ms. Pontious: Anything else?

Mr. Malave: That is all I have unless you have any questions.

Ms. Pontious: Any other questions for Mr. Rey? Thank you for your input today and please travel safely.

FIFTH ORDER OF BUSINESS

Unfinished Business

A. Consideration of the Amendment to the Contract with Community Watch Solutions

Ms. Pontious: We have the amendment to the contract with Community Watch Solutions before us again. Christine, do you have any input or do you want me to do it?

Ms. Wells: I think Jill does.

Ms. Burns: We spoke to Community Watch Solutions and have been going back and forth to get this contract amendment revised. Since the last time that this came before you they have decreased the rate that they are requesting from an additional \$1 an hour to \$.50 an hour. There was an issue on the billable rate, they corrected that to increase the billable to \$14.00 an hour up from the \$13.50 that the District is currently paying now.

Ms. VanSickle: I guess my main concern with this is that we have a contract. I just see this as poor planning. Right now we are really needing to watch our budget items with what we have before us and I can't see increasing it at this point.

Mr. Costello: They wanted the increase due to the fact that they never looked at what was coming on with the insurance. Quite honestly, to me it simply feels like it is bait and switch. Forget something and then come back and try and equal it out. They had to have known that the Affordable Care Act, it has to be five years old. They did this last year. They didn't realize that they were going to go over the number of employees. Shame on them. I can't see why we should be paying their bills.

Ms. Burns: I think you might want a motion if the Board is not willing to authorize this, that we go back and say the Board is not willing to pay for the increase.

Ms. VanSickle: Do we really need a motion? We have a contract in effect. Jan?

Mr. d'Adesky: It is not a motion if you are just denying it, just direction.

Mr. Deane: We are just denying their request.

Ms. Burns: We will let them know.

Ms. Pontious: Christine is looking, but we think this is a three year contract. We are probably a year into that or a little more. It looks to me like it is about an \$8,000 increase. We agree then that we just let it go for now? Ok.

B. Discussion on Golf Course Report

Ms. Pontious: We had an opportunity on Monday to talk with the NGF officials who presented the report. They have assured us that they are available with any additional questions. I had a feeling there were questions that were not answered on

Monday so we can approach them with anything else. We had a lot of issues to discuss regarding the report and the ramifications of it. So I guess let's start maybe with what questions weren't asked or answered and maybe we can among us come up with answers to those questions and see how much more we need to get from them so that we can feel better about with what happened.

Ms. VanSickle: I guess my first comment I want to agree with Debby. I think it was incomplete. I have never read a consultant's report where I was expected to make corrections then ask questions. I sent in my questions and I feel that a lot of them weren't answered. Then at the end of their talk the other day they sort of eluded to well you need to check on the elevator, you need to do this, that and the other. I thought that is what we were paying for this report. I really am not sure what we got but I don't think it is enough for us to base a decision on. A lot more investigation needs to take place first. I think there are too many unanswered questions.

Ms. Pontious: Do you have a list of questions that you feel need answers?

Ms. VanSickle: Like I said, I sent them to them.

Ms. Pontious: Oh you did? Ok.

Ms. VanSickle: They got my questions. I did not receive a response back. I would have liked to have seen that. One of the questions that I did ask after the meeting the other day was there was a statement about the CDD is responsible for maintaining the bridges and in the final report they took that statement out, so I said, why did you take that statement out? He said well we were told that there was some controversy whether or not they were so we took it out. I said you should have done your due diligence before you put it in. That is the way I feel about the whole report. They have it located in the wrong city. That is pretty basic. That made it seem to me like this was a cut and paste. That bothers me immensely. He said it is sort of like, and I forget the term he used, but like a bird's eye view of looking down and I think it could have been Lake Ashton or it could have been any other golf course. Things specific to us I don't think were really addressed. I think just the survey on this property deciding who owns what knowing that we own sections of the golf course so if we bought it really wouldn't be an issue, we

would just own it assuming it would all still have to be surveyed and at what cost. I am worried about the S.W.F.W.M.D. permitting issues. We have had issues there before. What could be going on and what could be the possible cost of it and I think that this is what they were going to be doing for us. I don't feel that we got it.

Ms. Pontious: Any other comments?

Mr. Costello: Carol, I know that you had worked with Doug Robertson on speaking with the owners.

Ms. Pontious: Twice.

Mr. Costello: A large part of this is putting such a vast time limit on the whole thing. We have no idea what we are dealing with and we really need to go out and do our homework. Myself and Stan Williams as you know, we have met with people from Eaglebrooke over the last week. We have met with people from Billy Casper Management over the last week. If you were to ask us to make a decision right now, I think that we would tell you that we want a lot more information before we would even consider making this kind of transaction. The time limit simply needs to be pushed back. This man, or I should say this group owning this golf course, they built the neighborhood and I would think that they would want years from now that it will be more or less a tribute to what they have done. I am not saying that I don't want to buy it and I am not saying I do want to buy it. I am saying I want to do my homework.

Ms. VanSickle: I think it is vital as a community we look at this. We all recognize it as an asset. We all recognize we enjoy it whether we play golf or not. The point comes at how much are we willing to pay for it and what are the risks. Buying it, the purchase price, that is not the major issue, we can handle that. It is maintaining it. It is those little costs that you are not aware of just like Jack said earlier, the reallocation of assessments. That is something that we are going to lose right away. That is a \$50 increase per homeowner. That is not a biggie. That is one thing that wasn't even included in any of that. I think we need to look at all the hidden costs before we ask people to support it. We have to give them a maximum. This may cost you \$200 a year, is that worth the scenery, the view, it looking beautiful around here. Probably yes. If we thought it may

go up to \$1,000 there is people that would have a major issue with that. I think we all have to agree what are we willing to spend and before we make that decision we have to be able to honestly look at all these people and say this is what it is going to cost you. We have to have some cap on that.

Mr. Deane: We have no idea what it is going to cost. We have no information. The idea of spending around a \$1,000,000 for something with two CDDs with two owners to me is ridiculous. I don't think that we should purchase anything as two CDDs, particularly when you are talking about the size of the asset. I think we are looking at the wrong thing. The first thing we should be looking at is trying to make this one community by joining the CDDs.

Ms. VanSickle: With the two CDDs I think it would be tricky doing it, but my concern with joining the two CDDs is you are always going to have differences. We have different cities and different tax structures. That is something that you are not going to change. What I would like to see is these two CDDs working honestly and openly with each other. Right now that is not happening. This was a joint venture and I feel like we have been left out of a lot of that. Just like the communication that was sent out. A lot of people thought that came out of us and it did not. I believe we have to clear up those issues before we can work together. My goal would be to work together.

Ms. Pontious: I think an additional scary part of this is there are 10 of us and I think for most of us we are probably feeling like these decisions involved with this are way above our zero pay grade here. It is just overwhelming. We talk at times about forming committees and encouraging people in the community who have some expertise to come forward and offer their assistance. I understand about the Sunshine Laws and all of that but can you give us a way that we can recruit some input from community members in a way of can they meet as groups and then get information back to us. How can we do that so that we can use the assets within the community?

Ms. Carpenter: There are a couple of different ways to do it, but you can form committees if they are going to give recommendations to you. They just need do have their meetings just like you all do. They would have to be noticed and minutes be taken

so a committee could be formed. The more I hear from the Board and the questions that I have received it seems like this opportunity was brought to the Boards and the consultant did a good job in analyzing the information they had. I learned something from them that I had no idea about the price and structure. It seems like it may be appropriate for the Boards to each delegate a Board member and either management or counsel to meet and find out what the deal really is and come back to you with some of the information you need. As we talk with management we have some numbers about the O&M assessment and the debt assessments. We have some thoughts on how to do it, but we have not been authorized to really incur any legal fees and spend any extra management time to actually be able to assist in looking at what is the actual offer. Meeting with the developer with his counsel and finding out what is the offer. The \$9,500 information was new to me in the report. There is a lot of things in there that we could certainly help you in putting together, this is the actual package. I agree I don't think we really know what the offer is from either CDD. So that is one thing. If you wanted to have a committee you could certainly form a committee, but then again you would still have the Sunshine issue. If members of the community just want to meet and give ideas you could have a more informal idea, but I think the workshop gave you a very good opportunity to hear the questions and concerns. I think now you really need to know what the decision is you are being asked to make. I don't think it is clear what you are being asked to assume or undertake.

Ms. Pontious: We have a couple of West Board members here, correct me if I am wrong. Other than a piece of paper that says this is what I want and this is what I believe is retail value, we have nothing. We have nothing in black and white that gives us any documentation for any of the income, any of the expenses and any of the problems. This is not a working together venture as far as I am concerned. I have a saddle on my back that I need to get rid of and I think you need to take it from me. I think somehow or another we have to be able to get this information before we make blind decisions. Makes me really uneasy. We need a plan going forward. We probably need to do that with the West this afternoon or later this morning at that meeting. I would certainly like to see

some further input. They gave numbers to NGF. We don't have any way to verify any of those numbers. That report is only as good as the information that they have. We don't know what they have.

Mr. Ference: Are you saying the NGF was delinquent in providing that information because it was not substantiated or complete enough?

Ms. Carpenter: NGF did what their scope of work was. It was to get as much information as is available and given to them.

Mr. Ference: If it was not available to them, how will it become available to us?

Ms. Carpenter: Generally you would be signing a contract and in your due diligence period you would say you want to see their accounting records. You would want to see if they have any audited accounting reports. If they don't, you would have to hire an accountant of your own to look at their reports to see if they are accurate or not.

Mr. Ference: So you are saying that we enter into a relationship now?

Ms. Carpenter: Generally in a real estate transaction you make your deal and then you have your due diligence so you have time.

Mr. Ference: What is our deal?

Ms. Carpenter: I don't know. That is what I was saying.

Mr. Deane: We don't know.

Ms. Carpenter: Until we come up with a price based on what information they give to the CDD and we can ask if that is accurate. Generally a seller is not going to give you private information until you have a contract with terms in it and confidentiality and your use of the information. That is the way it tends to work in commercial transactions.

Mr. Deane: Jan, I think we should take your suggestion and have a Board member from each one meet with you and try to meet with the seller and find out what they are actually offering us so we know what we are dealing with.

Ms. Carpenter: I think I would like a management representative, too, so we can make sure on the bond side and some of the day to day things that is also covered. One thing I was unsure with NGF is whether they thought they were presenting an offer through NGF. So I think it is clear if the Boards decide to go forward there should be at

least an initial meeting to say what the actual offer on the table is. How will it work? What is your timing? I have inferences of financing and all kinds of things. We really don't know. I think you all have gotten to the right place that it is certainly something very important to the community and something that should be looked at but you need a little more information before you can go forward.

Ms. VanSickle: Mike, would you be willing to be our representative as a resident golfer and since you are newly elected with management?

Mr. Costello: Quite honestly once again I hate to pass it over to Carol, but we want the two Chairs to be the two people because ultimately they are the people who have the capability of calling a special meeting if it should be needed or whatever.

Ms. Pontious: Let me remind you that right now I am a short timer and glad of it.

Ms. VanSickle: You are the longest term member here, Mike. It might take a while.

Mr. Costello: Yeah, I guess I will be willing to sit down with them in order to try and come up a lot of unanswered questions.

Mr. d'Adesky: Mike, if you feel the need for a special meeting you can inform the manager and they can circulate a request to that.

Mr. Costello: I realize that I am just saying it's just a lot easier when you don't have to go through channels. Once again I have said it a million times, the Sunshine Laws kill us. Yes, I would be willing to sit in on the meeting.

Ms. Pontious: I think we are all aware that there is two big things that need to happen. They have been operating this golf course for 15 years and by the looks of it they had the worst year ever this last year. They haven't been unhappy doing that until this moment so somehow we need to have the time it takes to do this right. We need to have two things happen. We need to know how we can increase revenue and how we can decrease expenses. Those are the two big questions. Mike and Stan brought back a balance sheet questionnaire kind of thing from Eaglebrooke. I think maybe we need to make some more field trips and go to some other places who have done this and see what they have done. There was more information in what they brought back from Eaglebrooke then we have had yet from anyone.

Mr. Costello: We spoke yesterday to a person from Billy Casper Management, they are one of the biggest management companies around. I would like to talk to other management companies and see what they think. We don't really have any solid information back from them. I think we need a lot more information as far as the management role. I am not saying that we are going to go with one of these management companies but information is a good thing to have. I think we have a long way to go.

Ms. Pontious: Typically what I find happening is every time you ask a question you get six more come with it. We need to get all the questions in one place and just keep working through them until we get satisfactory answers.

Ms. VanSickle: If we are going to do this jointly, people on this side need to be able to get that information also, not just one Board member. That is very disheartening because from what I have heard you can verify this. Have you attended all meetings?

Ms. Pontious: I have attended all the meetings that I was invited to as was Darrin. That was two, correct?

Ms. VanSickle: But what I have been hearing from other residents, there has been other meetings that you weren't privy to and that concerns me.

Ms. Pontious: I do not know of that.

Ms. Carpenter: I just want to add one thing. I think I brought it up at the joint meeting that if we go forward with both Boards to look for a price and what the offer is that would be fine, assuming each Board would buy their own golf course and share presumed through the interlocal. Once this happens we would really recommend separate counsel be brought in to negotiate between the two if you want to talk about any change, about how you are going to allocate responsibility between the two. That is something to think about as we proceed.

Mr. Mossing: Also I think the Boards at the joint meeting need to consider asking the seller whether they will give us more time. They provided us information that they are ready to go under contract for sale with a private entity. I think that is one of the things before we go much further, it seems like we need to make the request that at least from this Board it appears we need more time to make a decision and to make that request

before we continue to do more work. If they can't wait, then they are going to move forward with their other plan.

Mr. Ference: Are you then arguing, Darrin, that we should enter into a contract before somebody else does?

Mr. Mossing: No. I am saying before we do more due diligence they said they were getting ready to go under contract this month. I believe so if they are not willing to wait the time that the Boards may need, then it doesn't seem to make sense to keep pursuing if they are not going to give us the time.

Ms. VanSickle: I think that is a very good point, but I would also wonder how they would be ready to go under contract when we own part of the golf course. We own sections of it. It will be very difficult for him to sell it that way.

Mr. d'Adesky: Like Jan mentioned earlier, even if they went under contract with any responsible private entity, there would be a due diligence period likely over 100 days or up to a year or year and a half. There would be a long period before that was actually transferred to a private entity under finalization of that contract.

Mr. Costello: Eaglebrooke said they spent a 1 ½ years from the beginning to end before they actually closed it. I don't imagine that the contract was written a year and a half ahead of time. I think they got their information, the contract was written and at that point executed.

Mr. Ference: Jan, why do you feel you will get more information by ascending this committee when the other people who have gone before you asking for that same information was denied?

Ms. Carpenter: I don't think I have an answer for that. I just said that we have seemed to have heard a number of different comments and points that have been brought up and at least I have not seen a complete offer of what it is the price that they are planning to sell to the golf course, the various portions of that, the 9,500 and the three terms. If that is not accurate then we don't need it. It sounds to me that there are a lot of questions that have come up whether it is through the consultant's report or not that we need to have answered before we can say yes that they have made an offer to us of this

price and we are going to accept it for a contract to go forward to do our due diligence. Darrin is right, they had said that in 30 days if you don't make a decision we are going to put this out in the marketplace. That is something that Darrin or the manager make the initial call to say we would like to meet with you to have more time. If they say they are going to list it, that could change where you are going to go.

Mr. Costello: Do you feel that anybody else would buy it with the lack of information that we have?

Ms. Carpenter: It doesn't seem in the marketplace that a golf course contract would be signed in 30 to 60 days but one never knows. I can't guess but I would think it would take anybody sometime to get this out marketed and people to come look at it.

Mr. Deane: I thought this was a listing contract. Just to sell it. I didn't know it was a sales contract.

Ms. Carpenter: I think it is just a listing contract. I think there is certainly time and we can just clarify what their position is first. If they say we are going to list it. We don't want to talk to you then the Board can determine if they want to proceed further.

Mr. Deane: Exactly.

Mr. Ference: So does that mean that we enter into a listing contract?

Mr. Deane: No.

Ms. Carpenter: I think what you are looking at as a motion to appoint a Board member with staff to meet jointly with a Board member from the other Board to meet with the developer and ask the questions about what are they offering. These are the issues that have come up during the time, there is a bond number, there is the O&M number, there is the free golf and what exactly is the offer. These are the questions we have and let's lay it out and try and figure out exactly what the cost would be so we can determine whether it makes sense to go forward with a contract and then do the rest of the due diligence.

Mr. Ference: Did we second Mike's appoint?

Mr. d'Adesky: There would need to be a motion.

Mr. Deane: I make a motion that Mike Costello be appointed to meet with whomever we meet with to get the information we need with another Board member from the other CDD.

Mr. Ference: Second.

Ms. Pontious: Ok so we have a motion from Borden and a second from Bob to go ahead with Mike Costello being our representative with whatever moves from here. That probably needs to be done at the joint meeting. We know now that we have someone willing to do that and then if they decide to do that, the plan is acceptable to them that we will move forward at the next meeting with whatever we need to do, wait to do anymore at the joint meeting. All those in favor?

ON MOTION by Mr. Deane seconded by Mr. Ference with all in favor Mike Costello was appointed to represent the Lake Ashton CDD to meet with a Board member from Lake Ashton II CDD, staff, counsel and the developer of the golf course to obtain additional information.

C. Approval of Reallocation Assessment Report

Ms. Pontious: GMS has done a reallocation report for us. This was done as my understanding because it was one piece of property that they owned and now that it is several pieces of property the allocation has been done. We get approximately \$52,600 from Mr. Maxwell's company into our amenities fees every year so that is a number that has to be subtracted because if they no longer own it, we don't get that money. He is taking care of doing this with the property appraiser's office so that each of these parcels are now independently evaluated. Anything else you need to tell us about that?

Mr. Mossing: No, I think that clearly represents the report.

Mr. d'Adesky: It doesn't change the assessment levels and it is not changing our methodology. It is not changing our basis, it is literally just bringing it into conformance with how the properties are treated by the tax collector.

Ms. Carpenter: You probably all don't recall but under Florida law, all the assessments have to be allocated based on the benefit. GMS went back to the initial report

of how the assessments were allocated and they took that allocation methodology and applied it to the various units to separate them out. Technically not a change in the allocation, just breaking out the pieces and what the Board then previously had done.

Ms. Pontious: Do we need to approve this?

Mr. d'Adesky: Yes.

Mr. Deane: Motion to approve the reallocation assessment report.

Ms. VanSickle: Second.

Ms. Pontious: We have a motion from Borden seconded by Brenda to approve the allocation report.

On MOTION by Mr. Deane seconded by Ms. VanSickle with all in favor the reallocation assessment report was approved.

D. Consideration of Quotes for the Bowling Alley Scoring System

Ms. Pontious: We have quotes for the bowling alley scoring system. Christine?

Ms. Wells: At the July meeting I only had one quote for the replacement of the scoring system in the bowling alley at that clubhouse. I have since received a second quote. I will go over those two. The first one is from Bowling Electronic Services & Technologies. It is a total of \$22,250. That is for replacement of the scoring system as well new monitors - 49 inch computer monitors and installation of the new system. The other quote was a little higher and it was a total of \$31,000. It includes the same elements.

Ms. Pontious: Ok I guess we need a motion.

Mr. Deane: Motion to accept the \$22,250 proposal.

Ms. VanSickle: Second.

Ms. Pontious: Ok we have a motion from Borden and a second Brenda to accept the proposal from Bowling Electronics for \$22,250.

On MOTION by Mr. Deane seconded by Ms. VanSickle with all in favor proposal from Bowling Electronic Services & Technologies for \$22,250 for replacement of the bowling alley scoring system was approved.

Ms. Pontious: Thank you for getting that second one. Ok, we need to do our fiscal responsibility here with adoption of the budget.

SIXTH ORDER OF BUSINESS New Business and Supervisor Requests

A. Public Hearing to Adopt the Fiscal Year 2019 Budget

1) Motion to Open the Public Hearing

Mr. Mossing: Earlier this year at your May meeting in accordance with Florida Statutes, this Board approved the preliminary budget which started the clock on the formal adoption of that budget and set the public hearing for this time and date for you to adopt the budget and to also levy those maintenance assessments. Just to cover a couple brief parts about the budget and then we want to ask for a motion to open it up to public comment. The general fund is the most important, there is no increase in the maintenance assessments. They are at the same level that they were in the prior year. On the revenue side there are no revenues there for the lease based upon the new lease with the restaurant owners. On the administrative budget there was approximately \$10,000 increase in administrative budget due to primarily insurance increases. On the maintenance side of the budget there was an increase of about approximately \$12,000. Most of that was a cost of living increase for onsite management contract. There was a slight, because of the revenue, decrease in the revenues, there is a slight increase in the expenditures. The offset was that we are proposing to transfer \$225,000 to your capital reserve fund. Then if you go to page 9 is our capital reserve fund, the format is a little bit different than what you have seen in the past. We are trying to structure this to give you a better idea of where you are at as it relates to the capital reserve fund study that you paid for, for projected by the end of this year and what we anticipate for at the end of 2019 based upon the capital reserve budget that Christine has prepared. Under the account it says projected in the next three months. Under the expenditures you will see that we projected \$25,000 for the bowling alley scoring. You just approved that contract for \$22,000. The other amount, the \$70,000 represents the paving contract that you approved earlier. There is a few other minor expenditures that may occur prior to the year-end which if those expenses occur it will leave you with about \$317,000 at the end

of this fiscal year. According to the reserve study you should have \$664,000. Then if you look through what we proposed for fiscal year 2019 and based upon the \$371,000 proposed budget that is included there you would end the year with \$171,000, at the end of fiscal year 2019. If you compare that to the reserve study they recommend having \$491,000. The point is that your reserve fund in actual is underfunded as compared to the recommendations of the reserve study consultants. I think that will help you in future decisions on how you spend money. I don't know if Christine wants to talk more about her proposed budget for fiscal year 2019.

Ms. Wells: We have the capital projects for fiscal year 2019. I am assuming that is what you are referring to. We went over these for the past couple of meetings. I don't think that there was any change from the last meeting to this meeting. We have for the sand filtration system for the pool \$25,000, pool heaters \$20,000, pool tile replacement \$15,000, activities desk upgrade of \$8,000, clubhouse and gate house camera system upgrades of \$6,000, door replacement of \$5,000, indoor furniture \$10,000, outdoor furniture \$5,000, gate entry system we don't have anything allocated for that, the bocce ball court refurbishment \$10,000, clubhouse lawn lighting in front of the clubhouse on the paver areas \$15,000, HVAC, we always have a budget there in case we run into any issues with our AC system \$31,000, ice machine replacement in the fitness center, restroom area \$9,000, pavement management \$165,000 which is moved from fiscal year 2018. Then we have restaurant equipment allowance of \$15,000, ballroom sound equipment \$7,000, stormwater management \$25,000 and that is it.

Ms. Pontious: That little box on the bottom bothers me. I think we need to be cautious moving forward with expenditures. It probably should have been the year we had increased assessments had we seen that box before. It is getting pretty tight. Ok, we need a motion to open the public hearing. I think we have done some discussion without doing that.

On MOTION by Mr. Deane seconded by Mr. Costello with all in favor the public hearing was opened.
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2) Public Comment and Discussion

Ms. Pontious: We are ready for public comment or discussion about the budget.

Mr. Jack Stelgotti: Things need to be repaired here and we are going to be getting an increase possibly and that scares me because I think that golf course where I think you already tabled it as something that we do need. The screened porch out there. We need an outdoor swimming pool more than we need a golf course. Mr. Maxwell has been here 16 years. He is a very smart person. He was not able to make a go of this golf course. It has been in the red and as you said, prices are going to go up. Seed is going to go up. Maintenance is going to go up. Fertilizer is going to go up. We have erosion on the golf course, flooding on the golf course. It is like a Trojan horse, it is going to destroy this community. Mr. Robertson told me personally, he said if you vote against it, they are going to buy it. They have the money so let them buy it. Walk away. Run as fast as you can because this is an adult senior community, not a country club so with that said, rethink this thing. Take your time. He is in such a hurry because he knows the West wants to buy it. Let them buy it. He is pushing you. Don't let him push you because you are going to regret it. It is a big decision. There are people with fixed incomes. You put this burden on us, and we are never going to participate. We have been here six years. If you are not golfing now you are never going to golf. So you have to keep that in mind and please walk away from this. You should have three years to think about it. I wouldn't even do it. Like I said if the West wants to buy it, let them buy it. We built this Memorial out here, we didn't ask you to double the force. We did it ourselves. If enough people let them sign saying I am going to support you and you tax them and let them pay for it. Don't put it on people that don't golf. Thank you.

Ms. Pontious: Anyone else on budget issues?

Mr. Tom Pryor: 4188 Limerick Drive. If I heard correctly in terms of reserves, the end of 2019 will be below our internal requirement for what we want for reserves.

Mr. Mossing: It is based upon the recommendations from the consultants that were hired to prepare a reserve study. At this time based upon the report, yes we are projecting to be underfunded. Just a little bit different from our internal requirement.

Mr. Pryor: As I understand it, the money, if we did go down the path to purchase at this point the golf course, that is where the money would come from. The initial purchase is from our reserves?

Ms. Carpenter: Yes.

Mr. Pryor: Hmmm. I guess the next thing I would say is and I gave you all a position paper and it concluded with this is not the only way to look at this, at this asset. I haven't heard one thing about looking at other ways to look at this 200 acre asset.

Ms. Pontious: I think as we said before we have to understand whether or not we even want to make that step to obtain the asset before we spend the time looking at how to use the asset.

Mr. Pryor: So we have spent \$26,000 to look at this only.

Ms. Pontious: \$16,000.

Mr. Pryor: Ok, that is the only way we have looked at this. We are going into this as a golf asset. All I am asking is you should start looking at other ways and partner up with maybe other things in the area to look at this. I just haven't heard any discussion about that. I will leave it at that.

Ms. VanSickle: Can you explain that \$16,000 figure to me? I thought the report was \$26,000 and split it.

Ms. Pontious: \$13,000, I stand corrected.

Ms. VanSickle: Ok thank you.

Mr. Buran: Lot 947. One thing that hasn't been addressed that I am curious about is the status of the townhouse condominiums. These would be a golf course acquisition and what their covenants are. Their rules? Are they a separate HOA? The townhouse people have their own HOA as I understand it.

Ms. Pontious: Yes.

Mr. Buran: Are they subject to the same CDD rules and covenants the rest of us are?

Ms. Pontious: Yes.

Mr. Buran: I have lived in Lake Ashton since 2006, when I looked at my lot initially all of the margins around them, a retention pond behind my house are manicured nicely

down to the water line. The golf course managed to keep the back of my property line which goes down into the retention pond manicured just like it was my own. In those 12 years never not once has there been observed an alligator encroaching our side of this retention pond. Last week one of my landscape guys narrowly missed being attacked by an alligator because now the grass has grown up above knee high. The grass has grown out into the retention pond. There was a large alligator laying in this grass completely invisible to the naked eye from the shore. This gentleman managed to get away after the alligator started hissing at him. This goes beyond cosmetics. This goes to safety because the edge of this water is only about 30 feet from the back door of my house. My backyard from my house down to the water is essentially a danger zone now.

Ms. Pontious: I understand that but this is a budget hearing right now. We will address that later in the meeting.

Mr. Buran: But the reason this happened was Mr. Maxwell's not to subtle approach to pressure the residents of this community into buying this golf course. The facts as presented by the consulting firm may be historically true as far as property values of the homes associated with the golf course. I don't think in today's world or in the future world those numbers has any bearing whatsoever. Prior to moving to Lake Ashton I lived in Punta Gorda.

Ms. Pontious: Your three minutes are up sir. Would you please summarize?

Mr. Buran: Ok, I know of 4 golf courses in Punta Gorda who have folded. I lived on one in Easton Club Maryland. I invite you to look on the Easton Club Maryland website. They have gone through three foreclosure options because the golf course failed.

Ms. Pontious: Ok thank you very much. Are there any other budget concerns? Seeing none we will close the public comment.

3) Consideration of Resolution #2018-04 Annual Appropriation Resolution

Ms. Pontious: We are still in the budget, so we will move onto the resolution.

Mr. Mossing: There were two resolutions included in your agenda. The first one is Resolution #2018-04 which is a resolution adopting your annual operating and

maintenance, capital reserve and debt service fund budget. So if there is any questions or comments otherwise we ask for a motion to approve.

Mr. Deane: Motion to approve Resolution #2018-04.

Ms. VanSickle: Second.

Ms. Pontious: We have a motion from Borden and a second from Brenda to approve Resolution #2018-04, the appropriation resolution.

On MOTION by Mr. Deane seconded by Ms. VanSickle with all in favor Resolution #2018-04 Annual Appropriation Resolution was approved.

4) Consideration of Resolution #2018-05 Levy of Non Ad Valorem Assessments

Mr. Mossing: This is a resolution to levy your operating and maintenance assessment for fiscal year 2019. It also includes your debt service fund but those assessments have technically been levied. If there is any questions or comments.

Mr. d'Adesky: That blank on the first page would be set to the amount that was just approved as part of your general fund assessment.

Mr. Mossing: We do have the completed assessment resolution, which is \$1,690,480.

Mr. Deane: Motion to accept Resolution #2018-05.

Mr. Ference: Second.

Ms. Pontious: We have a motion from Borden and a second from Bob to approve Resolution #2018-05 which basically sets the fee for next year.

On MOTION by Mr. Deane seconded by Mr. Ference with all in favor Resolution #2018-05 Levy of Non Ad Valorem Assessments was approved.

Mr. Ference: What was the amount you gave?

Mr. Mossing: \$1,690,480.

Ms. Pontious: Which translate to \$1,714.41 per household which is the same that it has been for years. We need a motion to close the public hearing.

5) Motion to Close the Public Hearing

On MOTION by Mr. Deane seconded by Ms. VanSickle with all in favor the public hearing was closed.

SEVENTH ORDER OF BUSINESS Monthly Reports

A. Attorney

Ms. Pontious: Andrew and Jan, do you have any other words for us?

Mr. d'Adesky: We have consulted on various ongoing issues pursuant to the discussion last meeting, sent the termination letter to Vivonet as was discussed. Are there any questions for us?

Ms. Pontious: What happened after the letter was sent, anything?

Mr. d'Adesky: No response yet. It is kind of interesting, we actually had to send it to Canada because it didn't appear that they had a registered office in Florida.

Ms. Pontious: Ok. Nothing else then.

Ms. Carpenter: No just the general things with Rey and the manager this month.

Ms. Pontious: Ok thank you. We appreciate you both coming.

B. Community Director - Monthly Report

Ms. Pontious: Community director's report.

Ms. Wells: The community director's report that was included in the agenda packet has been revised. I sent it to you. I actually sent the wrong one down to South Florida when I made a correction so you should have the corrected community director's report. There were just a couple of things I wanted to touch on. The replacement of the ballroom windows should commence around the end of August. There was a delay in the ordering of the aluminum framing. So hopefully that gets started soon and I will keep you guys informed of that. The new fitness center strength equipment was installed. Also, I included options for alternative paper towel dispensers for the restroom and hand dryers as requested I believe in the June meeting. All of the hand towel dispensers are free through Staples and they have given us a contracted price for the refills. There are a couple of different options that was included behind the community director report. I didn't know if you guys had one that you prefer, if you want me to look at other options.

If you are in favor of the hand dryer or hand towel combination or hand dryer only or hand towel only.

Ms. Pontious: What do you see that is here that is going to improve our situation either cost-wise or service-wise?

Ms. Wells: I personally like the center pull paper towel. It is a 2 ply sheet. I feel like they are going to be a little easier to pull out. I think the issue right now and it causes some issues in the restroom as far as cleanliness is that you pull on the paper towel and they are hard to pull. Pieces of them fall on the ground and you use more paper towels because you break one off and then you have to pull another one and so on. This is similar. I think it is a different brand that they use at the Health and Fitness Center but when I am over there I know it is pull one paper towel and you are good to go. Here you have to pull a couple of them so it is going to cut down on waste. It also is a little bit cheaper for the six roll case. It is \$29.85. I think it was the cheaper option out of all of them. That is down, right now I think we pay about \$44 for a six roll case for our current hand towel dispensers. The other ones are great as well. They are like an automatic. I just worry about if batteries go out and staff is not here then you can't get paper towels out. I would just prefer with the center pull paper towel. I am going back and forth with the combination of hand dryers and hand towels or if you just want to do just hand towels. I would not recommend just doing hand dryers because I feel like some people don't use them. I would leave that up to the Board whether you think the combination of both would be better or just go with hand towels.

Ms. Pontious: So you are talking about the Sustainable Earth on the second page?

Ms. Wells: Yes, I am.

Ms. Pontious: That is actually cheaper then what we are doing now?

Ms. Wells: Yes ma'am and all the dispensers again would be free.

Mr. Ference: How many do we have, Christine?

Ms. Wells: I believe when I counted it was 12 to replace what we currently have. There is one in the ballroom kitchen, one in the craft room, and then there are three in each of the restrooms, two in the fitness center restrooms each.

Mr. Ference: So the dispenser is free from Staples. Wow. I like that. I make a motion that we go ahead with the center pull at \$29.95.

Ms. Wells: That is for the paper.

Mr. Deane: Second.

Ms. Pontious: Ok we have a motion from Bob and a second from Borden to move forward with the Sustainable Earth paper towel rolls. Any further discussion?

On MOTION by Mr. Ference seconded by Mr. Deane with all in favor proposal from Staples for Sustainable Earth center pull hand towel dispensers was approved.
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Ms. Wells: That is all I have unless there are any questions regarding the community directors report.

Ms. VanSickle: I am concerned about the test message that went out. I didn't get it.

Ms. Wells: I am going to look into that. We did send a test voice message out yesterday, Valerie and I. It was our first time doing it. I want to check and see what happened with that. I signed myself up for it and I didn't get it either. I was hoping it wasn't a day delay like the text message was a couple hours delay so I was giving it some time to see if it would go through but it doesn't appear to have gone through so we will research that further. That is all I have unless anyone has any questions.

Ms. Pontious: Ok any further questions for Christine?

C. Field Operations Manager - Monthly Report

Mr. Fisher: Good morning. I included in the agenda the operations manager report. Any questions I would be happy to answer.

Ms. Pontious: I guess just the Applied Aquatic thing. What is the status of the ponds?

Mr. Fisher: The ponds are being maintained according to the contract. One thing I need meet with Archie on Thursday was about the Dewberry inspection report. Some of the outfalls on mostly the golf course ponds are overtaken with vegetation. The CDD is responsible for upkeep of those structures even though they are in the golf course pond. He mentioned it as an extra service. As far as pricing he wasn't available to have a price

for that. I will meet with Christine once he provides a price. It may be no charge but there may be a charge depending on what he finds out. So that would be taken care of next week once Christine approves of that. Also going down the Boulevard it can be noticed two palms have declined to the point where they are turning brown. I talked to Chris from Yellowstone and he believes that lightning struck the trees. So I have to get with him on getting me a price for removal, but it is unfortunate because we are already down a handful of palms. They are pricey to replace. We can look at options. You don't want to leave a void. I don't know, but they are pricey to replace at that height. We will get some numbers for the next meeting.

Ms. Pontious: I personally think we need to start looking at other options.

Mr. Fisher: Sure. They are queen palms. They don't get as high. We do have flood lighting that is shining on nothing.

Ms. Pontious: That was my second comment. I came in after dark last night, which I rarely do, and noticed that there is a lot of lights out.

Mr. Fisher: There are. We put a breaker on it. We are getting the timer switched out because the mechanical timers are malfunctioning. So we are getting digital timers installed. There is a green LED light that was a complaint so I just had security shut that off a couple nights ago.

Ms. Pontious: It was on last night.

Mr. Fisher: Ok. I will ensure that it is turned off so that it doesn't flicker on anybody, but it is being addressed. Any other questions?

Ms. Pontious: Thank you.

D. CDD Manager - Consideration Proposed Fiscal Year 2019 Meeting Schedule

Ms. Pontious: Alright Darrin and Jill anything else we need to do?

Mr. Mossing: The only item we have is the meeting schedule for fiscal year 2019 that was enclosed in your agenda package for the second Friday at 9:00 a.m. at this location. The only difference on this notice if you look at the bottom right below the dates there is a sentence that was added that there may be occasions when two or more

members of the Lake Ashton II CDD Boards are in attendance just to minimize any Sunshine Law violations.

Ms. VanSickle: I would like to bring up the November meeting again. We have an election coming up and do we want to either cancel that meeting or move that meeting until after the new Board takes office. To me it doesn't make sense to have our current Board making decisions when we have a newly elected Board. How does everybody else feel about that?

Mr. Costello: Do we have to keep them on Friday? Would it be easier for us to do this on Monday? A lot of times you are going out of town and you are leaving on Friday. Monday after Monday Morning Coffee personally I think we may get a few more people to attend, a little bit more input from the community and be in a better situation.

Ms. Pontious: This has remained this way because of our traveling duo down here, the lawyers and GMS have found that their freest day is Friday so we would have to look at their schedule as well.

Mr. Costello: Would it be impossible for you?

Ms. Carpenter: We only have the first Monday that we are tied up. The rest of the month we are ok.

Ms. Carpenter: Fridays are tough. I have a lot of conflicts on Fridays.

Mr. Costello: In order to maybe entice a few more people to come to the meetings I think we may want to look at making it the second Monday.

Mr. d'Adesky: The second Monday, third Monday and fourth Monday are ok.

Mr. Costello: The second Monday at 10:30 a.m., maybe we would get more input from the community and we wouldn't have to hear people saying you don't listen to us.

Ms. Wells: We do have duplicate bridge that plays on Mondays at 12:30 p.m. in the ballroom every Monday except in August. At 9:00 we have Monday Coffee.

Ms. Pontious: I have always had an issue, too, with financials being two months behind. They tell us that because we meet so early in the month that they can't get them to us so maybe even switching to the third or fourth Monday would make the financials come timelier?

Mr. Costello: My biggest reason for wanting to do it is to bring more people into the meetings. Quite honestly I think maybe you would come to Monday Morning Coffee and stay for the meeting. I make a motion that we look at changing it to the third Monday.

Ms. Pontious: Would the third Monday make a difference in the financials?

Mr. Mossing: Yes.

Ms. Pontious: Good.

Mr. Deane: We would get more current financials.

Mr. Mossing: All the statements come in at the beginning of the month. It takes a while to put all of the financial information together and have it reviewed and get it into the agenda so certainly pushing the meeting back will bring those more current.

Mr. Deane: If the fourth Monday is open for everyone I think that would be even better. That way we would definitely get more current financials.

Mr. d'Adesky: I would think because the way the months' work you would have to say the third Monday.

Ms. Pontious: There is always four.

Mr. d'Adesky: Sorry I didn't specialize in calendars.

Ms. VanSickle: That would take care of the newly elected Board to be sworn in at that meeting.

Ms. Pontious: Personally I think we need to have three people vote on that. We are not going to be here.

Mr. Deane: I will second Mike's motion for the third Monday of the month at 10:30 a.m. Any discussion Bob?

Mr. Ference: No, I am happy with that.

Ms. Pontious: So we have a motion from Mike and a second from Borden to move the meeting for next year being in October to the 3rd Monday at 10:30 a.m.

Mr. d'Adesky: To be clear, part of that authorization because that is the reason why you asked us for this is to notice that.

Ms. Pontious: I am going to abstain from voting.

Mr. d'Adesky: No abstaining.

Ms. Pontious: Ok.

Mr. d'Adesky: You are not benefitting privately.

On MOTION by Mr. Costello seconded by Mr. Deane with all in favor the fiscal year 2019 meeting schedule was approved as-amended to the 3rd Monday at 10:30 a.m. every month.

Ms. Pontious: I do have one other issue so that you are aware. A long time ago I made a decision to do some traveling in the month of September because September is usually quiet and nice not knowing that it wasn't going to be this year. I will not be here for the September meeting. I will not be able to call in from Ireland so I am gone.

Ms. VanSickle: Would that 3rd Monday work or will that still be part of your trip?

Ms. Pontious: I will be gone the 5th of September and I will be gone for 3 ½ weeks.

Mr. Costello: This schedule doesn't start till October anyway.

Ms. Pontious: I am just saying I am going to be gone. I spoke with Christine yesterday and I am not leaving until the 5th so I can be ready to vote on issues that are going to come before the Board and leave my vote before I leave but that is the best that I can do.

Ms. VanSickle: Is it possible to move this? I think right now with all that we have going on it is very important to have all five of us here. Can we move that meeting up to before Carol leaves?

Mr. d'Adesky: You can always call a special meeting. You can continue a meeting so there is lots of options to make sure that Chairman Pontious is included.

Ms. Carpenter: We can change the date now.

Mr. d'Adesky: If you want to change the date of the September meeting to the 3rd?

Ms. Pontious: You have Labor Day in there so it would have to be the 4th or the 5th. I can do Wednesday if it is early.

Mr. d'Adesky: Sorry the issue with the September meeting is we already noticed it for the purposes of fee hearing. So we would have to re-advertise that and I don't think we would be able to make that at this point.

EIGHTH ORDER OF BUSINESS Financial Reports

A. Approval of the Check Run Summary

B. Balance Sheet and Income statement

Ms. Pontious: Moving onto the check run summary. Do we have any questions or concerns about this month's bills? We need a motion then.

Mr. Deane: Motion to accept the check run summary.

Ms. VanSickle: Second.

Ms. Pontious: We have a motion from Borden and a second from Brenda to accept the check run summary. Further discussion?

ON MOTION by Mr. Deane seconded by Ms. VanSickle with all in favor the check run summary was approved.

Ms. Pontious: If you would like to talk to us about the combined balance sheet.

Mr. Mossing: Yes if the Board has any questions those financial statements were enclosed in your agenda. Our assessment percentage of collection remains the same however we have confirmed that in August and September we will be receiving the assessments from a couple of the golf course parcels that are paying late so those funds will come in August and September. There are two other parcels that have not paid their assessments and the certificates didn't sell. Once those come in we will be 100% collected.

Ms. Pontious: So all of the outstanding money is coming from golf course revenue?

Mr. Mossing: At this point. There is another \$18,000 due before operating and maintenance and debt service combined.

Ms. Pontious: Ok, thank you for checking on that.

NINTH ORDER OF BUSINESS Public Comments

Ms. Pontious: Alright, then we are back to public comments. Who would like to speak with us?

Mr. Alan Goldstein: I don't know why I am always getting trouble. My wife tells me I am mean, mad, and angry with my loud voice. Anyway, I want to make everybody aware especially our CDD and the residents in Lake Ashton who live in the City of Lake Wales, Murray Zacharia made me aware the other day about a meeting with the city

council that is planning to implement a storm sewerage fee on our utility bills. They are estimating \$5.00 a month which is \$60 a year that is on top of the fire assessment that we had put on us two years ago for \$150. We pay approximately 28% of the city taxes and get absolutely zero from the city. It is time for Lake Ashton to use our power and let the city know that they can no longer continue to rape Lake Ashton. In their article here written is that some of the storm sewerage money will allow them to loosen up their funds for other aspects in the city. What does that do for us? They are already wasting money, \$2.5 billion dollars building a library when the kids in the schools don't know how to read. Let's teach these kids but anyways to get back to the sewerage storm system we have our own. We already pay for it. We do not need to have Lake Wales charge us again. So I am asking you all to attend that meeting which is Tuesday. Murray, what time is the meeting?

Mr. Zacharia: At 6:00 p.m.

Mr. Goldstein: I think we should let everybody on city council know. Your words are being heard, but if we are in there in mass it would be better for all of us. Thank you.

Ms. Landgrebe: Is that the type of thing that an email blast can go out to the community to inform them? I actually just want to make a comment about one CDD and while we may be one community, at this point in time I don't see how we can possibly become one CDD. At this point the CDDs have not played nicely in the sandbox. A good test would have been how we are handling although individual CDD members are working very well together, and I do observe you all meeting and appreciate like you, Mike and Stan, going to other communities and investigating. One CDD, I don't see that happening. I don't see us becoming one. Thank you.

Ms. Pontious: Anyone else care to speak before we adjourn?

Mr. Gerry Vettenblatt: Lot 412. A couple of minor things. As Brenda eluded to it, has often been a conflict between Election Day and the meeting. We never really set up a time for new Board members to take a seat. I think it is worth considering like the first of January for new Board members to be seated and the old Board members to leave. Something like that. Nothing happens generally in December and there is confusion in

December so maybe we should look at that beginning of the year to take new members on. I was going to mention about the palms on the Boulevard. There is over 15 palm trees missing from the Boulevard. I was told that there would be some consideration restoring some of those trees. The game room, we have asked the community director in the past for some small tables to be put in there to put drinks or food on when people are playing cards. They use the chairs now. They spill it on the chairs and the chairs are stained and so forth. A couple of small tables would take care of that. Also prior to the change with MX we had a sports channel on the TV in the game room and some of the members are asking that be put back on. Finally on the topic of one CDD, I think that is the way we must go in the future. I have looked at various options and scenarios that are being presented to us by the developer. Most of our conflicts and trouble have been caused by the developer the way he set things up. One CDD we would have one guard force, one landscaping force, one engineer, one attorney, one management company combined savings would be about ½ million dollars a year with one CDD. I think that is the way it has to go and I believe it is time to play hardball with the developer. There is no rush. The ball is in our court and not his. Thank you.

Mr. John Sebastian: Good morning. Lot 931. I wanted to let the Board know that regarding the golf course, I have been here a short time and I want to thank Mike Costello for volunteering a little reluctantly. I think it is speaking for my household, it seems like a great opportunity for us to buy the golf courses. It sounds like the attorneys suggested what the offer is and that why Mike was told you have to find that out. I guess what I am sensing and hearing and I hear a lot of fear. I am uncertain about that but it seems to me that we should approach it as an opportunity. It could be a good deal and I am sure you will do your due diligence and negotiate decisions and stuff like that. I just want to make it known that I am in favor of purchasing and encourage you to have an open mind and look and see if there is an opportunity.

Ms. Dotty Miller: 4035 Ashton Club Drive. I live next door to Bob Ference, which is a plus. I was thinking about some things. You had mentioned you didn't think the National Golf Foundation, the report was complete. I agree with you and I have a

question to ask them. If we do not buy the golf course and an outsider buys it of course it will go public because I don't think he is going to say we want to keep it the way it is with the number of residents and we will just take the loss. So my question to the Foundation is how many memberships will they offer? We presently have about 325 memberships to the golf course. Will they open it to 100 more outside? Will they open it to 200 more outside? My concern is I think the busiest days are Friday, Saturday and Sunday to play golf for outsiders to come in if they take a membership. Where will they park? If we have a public course you are going to need additional golf carts, 50 maybe? 75? I don't know. I am not a member of the golf course. If that is the number it is going to fill the parking lot up at Eagles Nest. So where do they park? Do they park in the street? I know today is trash day. Trying to maneuver around the trucks or the service or maintenance people on Ashton Club is a nightmare. Where will I ride my bike? I heard I think at Mondays meeting that you do offer amenity memberships for fees, people from the outside who want to come in and use our facilities. I think that some of those golfers will want to use the swimming pool for their family or the exercise classes. They are full when the snowbirds come down. So what will we do with that? I don't want this to become a public community. I think of it as a private community. Thank you.

Mr. Pryor: 4188 Limerick Drive. The urgency as I put in my position paper appears to only facilitate Mr. Maxwell because the quicker we run into something and I know that we are doing our due diligence. He has to understand that we can't afford but somehow is he able to keep the pressure on in some fashion. I keep looking at the fact that we own the gates. We literally own those gates. We can set standard fees for people who come in here. Borden you are saying no. We already do that with the \$2,400 per year.

Mr. d'Adesky: I just want to clarify because it is a big issue so technically the roads are public. We have to let anybody in. The \$2,400 fee is nonresident user fee for them to use the amenities, not to use the roads.

Mr. Pryor: The point is what is the reason for not charging an additional fee for people who are coming into this community to use things other than the amenities?

Mr. Deane: You can't charge for the roads. The roads are public. If I didn't live here and I wanted to visit John Castelli, you can't charge me for coming through the gates.

Mr. Pryor: The community that I pointed to in the position paper that means that they are out of bounds?

Mr. Deane: They may have private roads, therefore they can charge coming through the gates.

Mr. Pryor: Their roads are public.

Mr. Deane: They may be illegal.

Mr. Pryor: I guess my question is could the attorney look at that and pass judgement on the fact that fine, let this golf course go on the market. We still have control over who comes in here. Not by the use of the public but by fee. A fee structure could be an opportunity. It could be a point of revenue. All I am saying is I read there is another CDD in this state that does charge to come in.

Ms. Pontious: It could be a different structure. We can charge to use the amenities. We cannot charge a fee at the gate.

Mr. Pryor: It was a CDD community.

Ms. Pontious: We are all set up a little bit differently. So just because it is a CDD doesn't mean that sometimes it is only the water system that CDD owns, it is not the whole structure. Different CDDs have different things but we cannot charge at the gate.

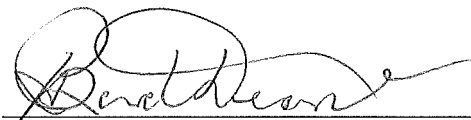
TENTH ORDER OF BUSINESS

Adjournment

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



Secretary / Assistant Secretary



Chairman / Vice Chairman