

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

A communications media technology meeting of the Board of Supervisors of the Lake Ashton Community Development District was held on Monday, September 21, 2020 at 10:30 a.m. via Zoom video conferencing, in accordance with the Office of the Governor, Executive Orders 20-52 and 20-69, due to the COVID-19 virus.

Present and constituting a quorum were:

Mike Costello	Chairman
Robert "Bob" Plummer	Assistant Secretary
Bob Ference	Assistant Secretary
Harry Krumrie	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Jan Carpenter	District Counsel
Molly Magiano	District Counsel
Christine Wells	Community Director
Alan Rayl	District Engineer
Matt Fisher	Field Manager
Residents	

**FIRST ORDER OF BUSINESS**

**Roll Call and Pledge of Allegiance**

Ms. Burns called the meeting to order at 10:34 a.m., called the roll, and the pledge of allegiance was recited. Four supervisors were present at roll call.

**SECOND ORDER OF BUSINESS**

**Approval of Meeting Agenda**

Ms. Burns: Did the Board have any additions to the agenda? Hearing none,

On MOTION by Mr. Ference seconded by Mr. Costello, with all in favor, the Meeting Agenda, was approved.

**THIRD ORDER OF BUSINESS**

**Public Comments on Specific Items on the Agenda *(the District Manager will read any questions or comments received from members of the public in advance of the meeting)***

Ms. Burns: This public comment period is for any comments on specific agenda items. We have the public comments portion at the end for anything not on the agenda. I received one public comment that was sent to me ahead of time that was asked to be read. The comment is from Maxine Ritter, I will read that comment for her at the end of the meeting.

Resident (Steve Realmuto): My comments are mostly on the restaurant. I would like to first thank Supervisor Krumrie for the time he spent on this and he did a fairly thorough analysis of the restaurant proposers. There seem to be some valid concerns about our ability to meet the revenue projections, given the expenses Metz is proposing in these challenging times. In the times of COVID, our biggest challenge with a new restaurant coming in is going to be the number of people and therefore the revenue that a restaurant will bring in. Metz is very capable and would provide us with very good service, the question is can we realistically expect to obtain the revenue that is need to keep that high level of service. I realize the Supervisors have not discussed this yet, I just wanted to remind you not to be rash with any yes/no decisions, and perhaps think out of the box. It might not be a time to rush forward and go all in, because of the challenges we face. Perhaps we could invite Metz to come into the community to cater a meal to get a better feel for how they operate before diving all in. There are other ideas we could do, similar to the food trucks and local restaurants. I'm trying to think of ideas that would delay going all in with the rather large expenses that are necessary to make the restaurant successful. This might not be the time to start it. One other comment on the bridges, I believe the Supervisors wisely chose last month to delay any repairs involving purchasing wood because the cost of wood had gone up so much. I do believe that we should apply a preservative to the bridges that would help increase the life of the existing wood bridges. It's a low cost item that I would like to see the Board consider.

Mr. Krumrie: The Metz corporation wants to get in on the Zoom call.

Ms. Burns: I will look for them on the Zoom call and add them to our meeting.

Resident (Debbie): I agree with Steve, I don't think we should rush into anything. We really need to have success with the restaurant. My other comment is about the Bingo contract under Section 8. People are wondering if this means that Bingo is going to start. I am also wondering, if the contract is effective starting October does that mean they are going to pay rent regardless of if they meet or not? When we do start Bingo back, I would like to see the Supervisors consider a clause, that Bingo participants are not allowed to bring in outside food or beverages other than water, and that Bingo shall not provide or sell any food or drinks of any kind.

Ms. Burns: At this time, I will read Maxine Ritter's comment that she emailed to me. It states, "Why are the minutes of the prior CDD meetings not being posted to the Lake Ashton CDD website? The last minutes posted are 5/18/2020. Is not the posting of minutes some type of legal requirement? Also, on 6/26/20 Mike Costello and Jim Mecsic sent out an email advising that the CDD would take action if any residents tested positive for COVID19. Residents were to advise the CDD of any positive virus tests. Notices to the community were to be sent out. No further emails on this subject have been received, giving, I believe, a false sense that no cases of COVID19 had come into the attention of the CDD and the community was relatively virus free. Since we were assured that the board was on top of the this and that the community would be notified, and subsequently no notice had been received, it was logical for the community as a whole to feel that we were relatively safe to go to the pool and the food trucks and such, while practicing safe protocols. Imagine my surprise when I heard that one of our board members was reported to have tested positive recently. No notices have been sent. I don't need to know who has the virus, but if the CDD is indeed compiling this information, a general email blast that we ten cases, or a hundred, or a thousand would be helpful in assessing the risks and in protecting the residents who are at risk. If the CDD is no longer monitoring the virus numbers or contact information, please let the community know!! If the CDD is monitoring the virus information, what are you doing with it? Thank you, Maxine Ritter."

Mr. Costello: Was there a comment in there that one of our Board members tested positive?

Ms. Burns: I don't think you should respond to that.

Ms. Carpenter: We don't have information about that or have authority on who is reporting that.

Ms. Burns: I did write a response to Ms. Ritter to clarify that the CDD is not gathering COVID information. We are notifying residents should we be made aware that somebody tested positive who has utilized the amenity facilities within the community. That is the extent of our notification. To this point, we do not have any cases that were reported to the CDD where a resident has utilized the facilities within 14 days and then tested positive.

**FOURTH ORDER OF BUSINESS**

**Approval of the Minutes of the August 17, 2020 Board of Supervisors Meeting**

Ms. Burns: Did the Board have any questions, comments, or corrections to the August 17, 2020 Board of Supervisor meeting minutes? Hearing none,

On MOTION by Mr. Krumrie seconded by Mr. Ference with all in favor, the Minutes of the August 17, 2020 Board of Supervisor meeting, were approved.

**FIFTH ORDER OF BUSINESS**

**Unfinished Business**

Ms. Burns: There being none, the next item followed.

**SIXTH ORDER OF BUSINESS**

**New Business/Supervisors Requests**

**A. Public Hearing**

**I. Public Hearing on the Adoption of Revised Golf Course User Fees and Rates**

Ms. Burns: If you remember at our previous meeting, we set the public hearing for today September 21, 2020. Lake Ashton II per the lease agreement set the rates at a prior meeting. Administratively, because the golf course lies in both counties, this Board needs to adopt those rates as well. The advertisement for the public hearing was placed in the paper. At this time, I would ask for a motion to open the public hearing.

On MOTION by Mr. Costello seconded by Mr. Plummer with all in favor, Opening the Public Hearing, was approved.

Ms. Burns: At this time I will open the meeting up for any public comments on the golf course user fees and rates. Hearing no public comments and seeing no hands raised on the Zoom call, I will ask for a motion to close the public hearing.

On MOTION by Mr. Costello seconded by Mr. Plummer with all in favor, Closing the Public Hearing, was approved.

**a. Consideration of Resolution 2020-11 Adopting the Revised Golf Course User Fees and Rates**

Ms. Burns: The rates are attached as Exhibit 'A' in your agenda package under Resolution 2020-11. I would be glad to answer any questions that the Board has.

Mr. Krumrie: In addition to the fees and the rates, are we also approving the Revised Amenity Policy?

Ms. Burns: No, this is just on the rates for Fiscal Year 2021.

Mr. Krumrie: Good, thank you.

On MOTION by Mr. Plummer seconded by Mr. Krumrie with all in favor, Resolution 2020-11 Adopting the Revised Golf Course User Fees and Rates, was approved.

**SEVENTH ORDER OF BUSINESS**

**Discussion to Amend and Extend Existing Service Contracts**

Ms. Burns: Christine, do you want to review this?

Ms. Wells: Yes, I will. There was a spreadsheet included in the agenda package that shows there are no increases from the current maintenance service contracts. The Applied Aquatics contract is currently \$6,795 per monthly totaling \$81,540 per year. Heartland Pools is \$1,465 per month totaling \$17,580. Yellowstone is \$15,442 per monthly totaling \$185,300 per year.

Mr. Ference: Christine, are you satisfied with the performance of all these folks?

Ms. Wells: We are. We are working with Yellowstone to get on the same page on a few things.

Mr. Costello: Yellowstone, we have had several conversations in the last week with them about the fact that certain things that need to be done have not been done. Due to

the weather I understand that they are limited in the hours they can work. But, there have been things that were grossly neglected. I know that you spoke to them and I'm not saying we shouldn't go forward, but if that behavior does continue there is an out clause on these contracts. If we pay for a service, I want to see it done.

Mr. Ference: Mike, what are you referring to that they are not doing?

Mr. Costello: One of the trees taken down last week, several weeks Christine had spoken with Yellowstone. They said it just needs this and that. Next thing we knew, they were telling us that the tree has to come down. We've had several complaints. One person came in complaining about Yellowstone doing work and not cleaning it up properly. My biggest contention is that if we are going to pay for a service, I want the service done. It irks me to see good money going to waste, in the fact that we have to continuously talk to them on different items. They've been made aware of the problems and hopefully we don't see a problem going forward.

Mr. Ference: Mike, when you bring it to their attention that they've been neglecting things, do they come back and remedy that problem?

Mr. Costello: In some cases yes they have. Bob, my problem is that this has been going on for several months now. Christine, I would hope that you have a listing of the problems that we've had over the last several months. I'm not saying this is a major thing, I just want everyone to be aware that Yellowstone has been talked to over the course of the last several months, several times.

Mr. Ference: Christine, who oversees their work?

Ms. Wells: Matt and I just had a meeting with our account manager, his boss (the site manager), and that person's boss (the District manager). We made it very clear that we can see some slipping in their duties that they are supposed to do according to contract. The account manager has been more responsive in getting some of the things we need, and his boss has been more responsive as well. Time will tell if those will be permanent changes or if they are just correcting them because we just talked with them. For the other contracts, Applied Aquatics and Heartland Pools have been great. Applied Aquatics has been doing great with the transition of all the extra golf course ponds.

Mr. Costello: We couldn't have gotten a better response than what got from Applied Aquatics when we took over the lakes. The next day, they were here doing the work.

Ms. Krumrie: I have one question. What is the escape clause in the contract with Yellowstone.

Ms. Burns: It's usually 30 days, that is what is standard in most District agreements.

Ms. Carpenter: That's correct.

On MOTION by Mr. Ference seconded by Mr. Krumrie with all in favor, Authorization for Counsel to Draft Renewal Agreements for Fiscal Year 2021 for Applied Aquatics, Heartland Pools, and Yellowstone, and Authorization for Chairman to sign, was approved.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Room Rental Contract for Lake Ashton Bingo**

Ms. Wells: This contract is renewed every year, and it is renewed on September 30<sup>th</sup>. John DeWinkler did reach out to see if we would be renewing. He did not indicate whether he was going to be starting Bingo again. My understanding is that they are looking at the first of the year.

Mr. Costello: I don't believe that John has a date in mind for reopening Bingo up. We're talking about 200 or 300 people in a room, and I don't think we're ready for something of that nature. Bingo has been very good to Lake Ashton, they are \$20,000 under normal circumstances, of our normal income. It's a considerable amount of money. They've always been a good neighbor, as far as helping us out. I think the contract should be approved and should remain at the same amount they've been paying all along.

On MOTION by Mr. Costello seconded by Mr. Plummer with all in favor, the Room Rental Contract for Lake Ashton Bingo, was approved.

**NINTH ORDER OF BUSINESS**

**Discussion Regarding Cleaning Services Agreement**

Ms. Wells: The cleaning service agreement is renewable on November 1<sup>st</sup>. Staff has been having quite a few issues with the cleaning company over a few years. We've been trying to work with them for years. It's becoming a full time job trying to submit an email every time something is wrong. It's almost daily that there are items they are not

doing. We do feel that staff can take over some of their cleaning duties in the interim, since staff has been doing a lot of sanitizing themselves since COVID began.

Mr. Fisher: A lot of the items on the contract are things that Jared and I could do for now. Jared has background in janitorial services, and we feel like we could do this job and save the District a lot of money.

Mr. Costello: Christine and I have spoken about this for two weeks. Matt, I appreciate that your team is looking to step up and do it. I don't mind paying for a service, but I want the job. It's their obligation to do the work if we pay the bill. We're paying but they're not working.

Ms. Wells: We do feel it's possible that our staff could do this or we wouldn't have brought it up. If we get to doing it and we find that it is just too much, then we would come back to you guys with another cleaning company for a contract.

Mr. Plummer: When is their contract expiring?

Ms. Wells: October 31<sup>st</sup>.

On MOTION by Mr. Costello seconded by Mr. Ference with all in favor, Not Renewing the Cleaning Services Agreement on October 31<sup>st</sup>, was approved.

## **TENTH ORDER OF BUSINESS**

### **Discussion Regarding Contract with Metz Culinary Management for Restaurant Services**

Ms. Burns: I'm going to turn it over to Harry to take it over from here.

Mr. Krumrie: It's Metz on the phone?

Ms. Burns: Yes, the representative is on the Zoom call.

Mr. Krumrie: Did they have any opening comments?

Mr. Jack Brill: Harry, this is Jack Brill. I have a few other people joining us. Jeff Brown is back on with us. Thank you for your time and the Board's consideration this morning. It's been a lot of fun the last several visits. I'm pleased to introduce Rick Sell, the Vice President of Restaurant Operations, and Greg Polk our Chief Operating Officer. For the other Board members, Harry met our founder and chairman John Metz. We spent



a morning looking at the operation a few weeks ago. I am excited to answering an additional questions and I look forward to a discussion with the Board.

Mr. Krumrie: They are proposing that the restaurant will start November 1<sup>st</sup>, but we're probably looking more around November 15<sup>th</sup>. They would operate 7 days a week and have a grand opening as well. They will need access to the restaurant two to three weeks before opening to train and hire staff. They are proposing to bring in someone to evaluate our current equipment. There are three or four items we are in immediate need of that we would have to buy before they took possession of the restaurant. The restaurant capacity is 150 people. Since we're at 50% capacity we are at 75 people in the restaurant at one time. In the proposed budget, Metz is proposing that retail sales would be \$943,000. That does not include catering of any sort. That comes out to about 80 plates for lunch every day, and 120 plates for dinner. Serving of the plates can come in different forms, it does not mean people have to be in the restaurant. That also means take out and home delivery. Alcoholic beverages represent about 20% of sales. We talked about catering, because there was a big number in there for catering initially. I think it was \$218,000. We talked and decided we are probably not going to be able to do catering for at least 6 months if not longer. We had to back out some numbers from that. That took the number from \$218,000 to \$72,000. We depend on catering, because there is a good markup on catering. The management that I talked to want to include a general manager and an executive chef. Those salaries are in the range of 70,000 to 75,000 each. I asked if we could get by on less than what they are proposing, but their response is that their reputation is on the line. They want to start out the right way, and I agree with them. They are still proposing a \$60,000 startup cost that they would bear, but then amortize that startup cost over 5 years or the length of the agreement. We talked about food and liquor inventory, because we are going to own the inventory. They would help us get rid of that to the extent that the agreement was terminated. Going back to the 80 plates for lunch and 120 for dinner, we have about 1,000 houses occupied in Lake Ashton on average. That equates to about 1,900 residents that are available to use the restaurant. When you start dividing that out, somebody would have to use the restaurant about once a week in order to meet the budgetary amounts. The new budget in front of me says that we'll lose

\$142,000 on the restaurant side and \$8,000 on the catering side for a total of \$150,000. That does not include the \$60,000 out of the gate.

Mr. Costello: One of the things proposed was that each house would be assessed \$500 for using the restaurant. I don't look forward to doing the \$500 mandatory payout. Could we do this in a way where people could take advantage of the \$500 up front, and we could kick in 5%.

Mr. Krumrie: We talked about that Mike, we actually talked about using a card. I'm not sure it would increase the revenue, but it would make it more convenient in terms of payment.

Mr. Costello: Is there any way to incentivize people to not use credit cards? I saw that they expect it to cost them \$38,000 from people using credit cards. Right now our meeting room is doing nothing, can we also utilize that as space in order for Metz to bring meals into the clubhouse and meeting room?

Mr. Brown: It's common marketing practice to give a discount for purchasing a card in advance. It's a great way to get people to purchase in advance.

Mr. Brill: Having the golf cart delivery service with everything going on, I think is going to be a significant amount of our business.

Mr. Costello: We are dealing with the pandemic right now, people are going to do what they feel comfortable doing. When you're trying to project how many people we are trying to bring in, it becomes tough. I know you guys are dealing with that everywhere at this time.

Mr. Brill: That's why it's good to have delivery options, pickup options, dine in options, options for people to eat on the patio, etc. We are offering all sorts of variety to make the guests feel comfortable in participating and purchasing a meal for a good dining experience.

Mr. Krumrie: Can you comment more about the clubhouse manager and the chef that you need. You need those off the bat?

Mr. Brown: You get one great chance to make an impression on everybody. If you come in and you don't have the proper staff, menu, and quality, then there's a good chance they won't come back. It's important we get those people in before we open and that they work on developing the recipes to match the menu so that we have consistent

quality. We need a general manager who can oversee the whole operation, because it's all about service and food.

Mr. Krumrie: They also added a marketplace as another way of potential form of revenue. We could sell three, four, or five frozen meals at a time to residents. That generates revenue.

Mr. Brill: We have our culinary center in Sarasota which produces those every day. We were trying to think of residents that might not have the mobility to eat out.

Mr. Krumrie: We are at \$150,000 loss, protected. My question is what is our chances of hitting that. What's our confidence in that number of that projected \$150,000 loss. How do we know it won't be more.

Mr. Brown: I'm fairly confident in it. It's a tough year to guess that number, but we've taken out a lot of things that would in the future improve those finances, like catering, so that they didn't make that number better than it's going to be. Part of our responsibility is to manage the cost. If we were not doing the revenue that we are projecting, we will be looking daily at our staffing levels to make sure we're doing everything we can to control costs.

Mr. Plummer: Harry, I've been pleasantly surprised at the input that I've had personally from residents who have looked at Metz's proposals. There's excitement of having Metz onboard here. Some people did not support the previous restaurants but were excited about this company. There seems to be a significant amount of excitement about the patio service as well as the pool and outdoor bar. One advantage we have that we've never had before is that Metz has a marketing division.

Mr. Costello: Is there any advantage to going to six days versus seven?

Mr. Brown: If we were to come in the door and see that certain days are extremely slow, that's a prudent move. You haven't had anything running in a while, so we need an opportunity to see how it goes first.

Mr. Costello: We meet monthly. Will you have a representative at the meetings?

Mr. Brown: Our general manager would be at every meeting, and I would be at quite a few of them as well.

Mr. Krumrie: Bottom line now, if we achieve the number of \$150,000 loss the only way we are going to be able to cover that is if we take it out of Capital Reserve. Next year

at this time, the Capital Reserve will have to be replenished. What happens if next year if we have a \$100,000 loss? We could tax the East side but not the West. We need to decide if we are willing to take the \$150,000 out of the Capital Reserve.

Mr. Ference: Things are not normal right now, so I don't know if it's the time for us to consider opening a restaurant.

Mr. Krumrie: I agree with you 100% Bob. But there are people who want a restaurant here now.

Mr. Costello: I think the majority of people do want to see somebody in that restaurant period.

Mr. Ference: At any cost?

Mr. Costello: I'm not going to put people's lives in jeopardy. People have had it with sitting home. They want a restaurant in there. It will be up to the individual if they're going to take the risk of going to a restaurant or not. There are a lot of people in this neighborhood who are going out right now.

Mr. Ference: But the losses they are projecting are for normal times, these are not normal times so the losses should be far greater.

Mr. Brill: We really went on a conservative nature based on the current times, based on 50% capacity, based on have a significant to go business. We did factor those conditions in. We're seeing a pattern in Florida, based on the Florida Lodging Restaurant Association numbers, you're seeing a significant number of restaurants both chain and independent that are only open at 50% capacity but they're running between 75% and 90% of their pre-COVID volume. They're doing it with less labor because they have 50% capacity, so their bottom line is doing fairly well. I want Robert to know that we were very cautious in these projections. We know these are not normal times.

Mr. Ference: But how many restaurants have gone out of business exactly for that same reason?

Mr. Brill: A significant number, and a lot were small and didn't have the capital to withstand.

Mr. Plummer: Jack, in your experience, how often do you think a person will use the restaurant?

Mr. Sell: In our budget, we've built in one visit a week. In regular freestanding restaurants, you're looking to see a guest once a month. I do think this is a realistic and conservative budget. Like Jack said, it's remarkable to see how strong restaurants have been amidst the pandemic. Even with reduced capacity, we have restaurants that are actually beating prior year sales. I think messaging to the residents about safety and about precautions we are taking to make sure we're serving safely will also help. I think the to go component has a strong potential for us here.

Mr. Costello: If we end up with a \$150,000 loss, Harry you said we would have to take that from the reserve. We could put a special assessment out there instead of putting it into our normal assessment.

Mr. Krumrie: For the first time in the history of Lake Ashton, we have somebody that would be willing to communicate with us more than anyone else has in the past.

Mr. Costello: I am one of four that would like to move ahead with this.

Mr. Plummer: I've heard mostly positive and very few negatives from people I've talked to. I think if we're going to do a restaurant this is our best option.

Mr. Costello: Jan, where are you on this?

Ms. Carpenter: From my standpoint, we need to do some revising to the contract to make it work with our program and layout. Once we get through that, we'd need bond counsel to approve the structure. I would suggest waiting until the next meeting to approve a contract. That way we could get our draft to bond counsel, and after we get that back Metz will be able to go through it to review.

Mr. Krumrie: Could we give authority to the Chairman to sign off on that before the next meeting?

Ms. Carpenter: Yes, we could delegate authority for that.

Mr. Krumrie: I think we are leaning towards a start date of November 1.

Mr. Costello: We could also continue the meeting, then we could approve it at the continued meeting.

Ms. Burns: We don't need any action on this if we are continuing the meeting.

**ELEVENTH ORDER OF BUSINESS**

**Monthly Reports**

**A. Attorney**

Ms. Carpenter: We've been working on a couple contract addendums and the restaurant issue.

**B. Lake Ashton Community Director**

Ms. Wells: The Project Tracking List was included in the agenda packet. We reached out to Blackburns after the last meeting and they agreed to match the quote of the previous contractor. We issued an agreement with them and put in the deposit. They said it's going to be about 3 to 4 weeks to receive materials. As soon as we send them a check number, they'll be able to order the materials. The bowling alley is still going on, and we are still scheduled to finish on October 13<sup>th</sup>. The plants on the west side of the entrance, the soil is going to be replaced there because the plants keep failing in that area. The palm tree that Mike mentioned has been removed. I got a quote on Friday for a replacement. One quote is to replace with a 16' – 20' medjool palm, that would include removing and grinding the stump and that totals \$6,239.89. Another quote was to replace with a pygmy date palm, which is a triple palm that is 4' tall and it would include grinding and installation. That quote totals \$1,077.93.

On MOTION by Mr. Ference, seconded by Mr. Krumrie with all in favor, the Quote to Replace the Palm Tree taken down with a Pygmy Date Palm totaling \$1,077.93, was approved.

Ms. Wells: We did away with the annuals in front of the clubhouse. We are looking at some filler for that area to brighten it up some. It could be absorbed in our current budget. I just want to make sure it's okay to move forward with the project. It's \$1,603.90.

Mr. Costello: I think that's fine with the Board.

Ms. Wells: I don't hear any objection to that so we will move forward. Applied Aquatic is still working on the grass carp. They're waiting on the biologists with the FWC to get permission to move forward. A supervisor had asked that I obtain a quote to extend the awning over the horseshoe bar. We only received one quote because I wanted to make sure it was something the Board wanted to move forward with.

Mr. Krumrie: Should we check with Metz that it will be enough? I don't want to have to go back and do it twice because the awning doesn't offer any protection from the sun.

Ms. Wells: We can do that. The other item was in an effort to update the look of the dining room, we would like to remove the chandeliers in the restaurant. Matt feels confident they can do that in house.

Mr. Krumrie: Again, I think Metz should be included in that decision.

Ms. Wells: Okay, the next item was painting the foyer in the main hallway. We've gotten the new furniture in place and the designer recommended that we paint the foyer to give an updated color. While we're on the foyer I have two quotes to remove the chandelier and replace with two recessed lightings.

On MOTION by Mr. Costello, seconded by Mr. Krumrie with all in favor, Removing the Chandelier in the Foyer, was approved.

Ms. Wells: I have a list of surplus items. The chandelier that Kincaid is removing, broken desk chair, and the palms.

On MOTION by Mr. Costello, seconded by Mr. Krumrie with all in favor, Surplus Items including the chandelier, broken desk chair, and palms, was approved.

Mr. Costello: We had discussed letting more people in the rooms. Jan, what is your opinion on that?

Ms. Carpenter: I think it's fine as long as you're following CDC, county, and state guidelines.

### **C. Engineer**

Mr. Rayl: I have a few updates. First, the improvements at Dunmore and Mulligan I'm going to call 99% complete. There's a little bit of asphalt work to do at the interface of those two roads, but beyond that all the improvements have been made and everything is worked as expected. On 4325 Heathland we made a repair in the road. We found that

the source of the issue was a separated conduit. The work on Ponds 2 and 3 was completed. For less than \$10,000 the contractors was able to modify the berms on both the ponds to lower the elevation at which they could outfall. Between 6 inches to 12 inches of additional freeboard has been added to those ponds so they will discharge before the water rises up into anyone's homes. I'll be meeting with the contractor to get pricing for some of the bridge repairs. The gate installed on 15<sup>th</sup> hole was installed on our side of the fence. Once we get everything agreed upon with the rancher, we can cut his fence, connect this gate to it, and immediately have a point of access to be able to work through. We heard from a resident about not moving forward with the running board decking on the bridges. I still maintain the position that lumber costs are way too high right now. Lake Ashton II did a seal on their bridge decks in the interim to extend the life.

Mr. Costello: Do we have a price on what it would cost to seal our bridges?

Mr. Rayl: We don't but I can check with CDD II and see how they went about it and provide some recommendations.

#### **D. Field Operation's Report**

Ms. Wells: I included a summary of the projects we've done in the agenda. We've been trying to keep a lot of stuff in house. We have a great addition to our team and he has been doing a lot.

#### **E. District Manager's Report**

Ms. Burns: The executive order on remote meetings is currently in place through the end of the month and we will continue to monitor that.

*\*Mr. Ference left the meeting at this time.*

### **TWELTH ORDER OF BUSINESS**

#### **Financial Report**

#### **A. Approval of Check Run Summary**

Ms. Burns: The check run summary is through today September 21<sup>st</sup> totaling \$188,372. If there are any questions I would be glad to answer those.

Mr. Plummer: We spent \$23,153 on property appraisal. Why was that done?

Ms. Burns: It's the tax collector.



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

**B. Combined Balance Sheet**

Ms. Burns: The financials are included in your package for review. There is no action that needs to be taken from the Board they are for informational purposes only.

Mr. Krumrie: What would it take for us to get a more current financial statement? This statement is dated July 31. Could we get the August financials before the end of September?

Ms. Burns: The agenda package went out before the 15<sup>th</sup>, but I'm sure we have the August financials now. I can circulate that to the Board after the meeting.

Mr. Krumrie: We budget \$45,000 for an engineer and attorney, and to date we've spent \$142,000 and we'll probably have more bills coming in.

Ms. Burns: A lot of that has to do with the frequency of meetings. I think it was a lot of the golf course related items we had earlier in the year, we were meeting multiple times a month. We also had litigation with the restaurant which required a lot of additional work from the attorneys that was not contemplated when this budget was adopted.

Mr. Krumrie: It's just a big number, it makes me shake my head. My other question is what month are you going transfer the money out of administrative expenses for the contingency golf course and put that under capital?

Ms. Burns: The payment to Lake Ashton II?

Mr. Krumrie: The payment occurred in December, and we haven't transferred it out of there. It showed up under administration under an operating expense.

Ms. Burns: We had it set for the next year to put it out of capital. This was the payment for the previous year where it wasn't in the capital budget. For the next year when we make that payment, it will show as a capital reserve expense.

Mr. Krumrie: Next question I have, under revenues and then under contributions, we received \$8,409 in contributions. I assume most of that was related to the pet park.

Ms. Burns: That was from the HOA I believe.

Mr. Krumrie: Under capital expenditures, why do we show pet park for \$9,900?

Ms. Burns: We had the quote to install the dog park with the HOA providing \$8,000 so the district was paying the additional expenses. They weren't covering the entire cost.

Mr. Krumrie: Why isn't the revenue showing up under capital?

Ms. Burns: We can transfer that revenue.

Mr. Krumrie: Let's do that all the time Jill.

Ms. Burns: We transfer what the Board approves in the budget, if you want additional funds transferred all we need is Board direction to do that. We are not just automatically going to transfer funds into the capital reserve without Board direction.

On MOTION by Mr. Krumrie seconded by Mr. Costello with all in favor, Moving Revenue from HOA for Pet Park to Capital Reserve, was approved.

**THIRTEENTH ORDER OF BUSINESS                      Appointment of Audit Committee**

Ms. Burns: The last item we have is the appointment of the Audit Committee. We are having an Audit Committee meeting right after the adjournment or continuation of the Board meeting. I suggest that the Board appointment themselves as the Audit Committee.

On MOTION by Mr. Costello seconded by Mr. Plummer with all in favor, Appointment of the Board of Supervisors as the Audit Committee, was approved.

**FOURTEENTH ORDER OF BUSINESS                      Public Comments**

Ms. Burns: I will open up the public comments at this time for anything that was not on the agenda.

Resident (Debbie): I have several questions and comments. Let me start with the chandeliers. While I understand the vote and the explanation, I'm wondering if this might now be a good opportunity to do a quick computer survey from residents to see if they want a chandelier replace. The clubhouse creates a lot of emotional feelings. One of them when you walk in is that wow factor. This could be a nice opportunity to help residents feel a part of the decision. The other opportunity to include residents could be a quick survey in regards to the restaurant, especially on the East side if we are going to potentially absorb a loss. See what the residents think. I do want to thank you guys for

staying on top of Yellowstone and recognizing how important quality of service is. Sometimes suppliers can become lackadaisical when they've had a job for a long time. In regards to the restaurant proposal, great idea about discounting for residents. Would that be for the East side since they are the ones absorbing the cost? Or would they have a greater discount than the West side? Also, possibility of a rewards program is a good idea. In regards to the marketplace that Metz was talking about, would that be a pass through? You talked about it being a revenue stream. If that's the case, what kind of percent increase would you be looking at? In regards to a menu, residents versus outside people using the restaurant. If the East is absorbing the cost is there a way to further discount or compensate for the residents. My last question is who would own the alcohol license, us or the management company? That's all I have. Thank you.

Resident (John): I raised my hand to speak when Christine was giving her report and talking about painting the foyer and the hallways. I believe it was skipped over and no action was taken. I agree with Debbie that we need a wow factor. That yellow with the brand new floor is the wrong color. I would like to see one of the Supervisors put that on the list to get some quotes for the foyer to get that painted. The other comment I had, is Mike is thinking about opening things up in the community a little bit. I would like to suggest opening the gym and the clubhouse on Saturday and Sunday, maybe for limited hours like 6:00 a.m. to 2:00 p.m. That's all I have.

Resident (Stan): When we go with Metz, please make sure you have this coupon option available. We used to go to Manny's quite often and every Christmas they would have a \$100 gift card that you would get an extra \$50 or \$20 if you got one. I'd buy \$300 or \$400 worth of those every year. I know a lot of other folks that did to. I think the coupon option would be something that a lot of people would look forward to.

**FIFTEENTH ORDER OF BUSINESS**

**Supervisor Request / Open Discussion**

Mr. Costello: I was at the Republican Club meeting for candidates running for office, and one of the things I noticed was that they would like to have office hours for people to come and talk to them. That's something that tells me that people feel they don't have a way to contact us. I spend a lot of time in the clubhouse and people can talk to me there. However, in order to put us out there a little more, I would like to have business

cards made up for each Supervisor. I would like to see our names and numbers published in the LA Times every month. If you don't want your phone number in there, we won't advertise that.

Ms. Burns: Supervisor's phone numbers and emails are on the District's website, which is required by the statutes. If residents are looking for that information we already have that available to them on the CDD website.

Mr. Costello: Yes, I know. But if it's in the magazine, everybody gets one of those.

Mr. Plummer: I'm in favor of that, I'd be fine with my number in there.

Mr. Krumrie: I like the idea.

Ms. Burns: Will you reach out to Bob Ference and make sure he is okay with that?

Mr. Costello: Yes. It's up to him, I don't want to make him do that.

Ms. Burns: We need to pick a date to continue this meeting. Two weeks from today is October 5<sup>th</sup>. We were looking at 2:00 p.m.

Mr. Costello: That sounds good.

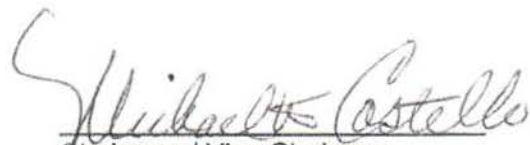
**SIXTEENTH ORDER OF BUSINESS**

**Adjournment**

Ms. Burns continued the meeting to October 5<sup>th</sup> at 2:00 p.m. to be held via Zoom if the governor's order was extended or in person.

On MOTION by Mr. Costello seconded by Mr. Plummer with all in favor, was adjourned.

  
Secretary / Assistant Secretary

  
Chairman / ~~Vice Chairman~~