

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

The regular meeting of the Board of Supervisors of the Lake Ashton Community Development District was held on Monday, **January 23, 2023** at 9:30 a.m. at the Lake Ashton Clubhouse Ballroom, 4141 Ashton Club Drive, Lake Wales, FL.

Present and constituting a quorum were:

Lloyd Howison	Chairman
Brenda VanSickle	Vice Chairman
Steve Realmuto	Assistant Secretary
Mike Costello	Assistant Secretary
Debby Landgrebe	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Jan Carpenter	District Counsel
Christine Wells	Community Director
Alan Rayl	District Engineer
Matt Fisher	Operations Manager

The following is a summary of the discussions and actions taken at the January 23, 2023 Lake Ashton Community Development District meeting.

FIRST ORDER OF BUSINESS

Roll Call and Pledge of Allegiance

Ms. Burns called the meeting to order at 9:30 a.m., called roll, and the pledge of allegiance was recited. Five Supervisors were present constituting a quorum.

SECOND ORDER OF BUSINESS

Approval of Meeting Agenda

Mr. Howison asked that three things be added to the agenda. He added a discussion about constant contact email, a discussion about the marina, and a discussion regarding Board direction organization and assignments. Mr. Howison requested they go under Old Business, prior to monthly reports. Mr. Howison also stated that anyone was welcome to fill out a speaking form if the public had comments over the new items added to the agenda.

Ms. VanSickle requested that the item 6C, Landscaping Concerns, to underneath the Operation Manager's Report.

On MOTION by Ms. VanSickle, seconded by Ms. Landgrebe, with all in favor, the Meeting Agenda, was approved as amended.

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 had one resident request to make a public comment.

Resident (Sharon Carl, 3006 Ashton Palms Drive) went over the process that the Board took to choose a new restaurant for the community. She had several issues with how the Board went about the new restaurant. She stated that the Board did not fulfill their fiduciary responsibility to their community in regards to the best restaurant choice. Ms. Carl highlighted that the process was rushed without allowing all of the concerns from residents and the focus group to be addressed. She stated that she is presenting these concerns with the Board because a lot of residents are frustrated with the process. There was a copy of Ms. Carl's full statement given to the Board.

Resident (Patty Wallner) expressed concern in her email to the Board that the restaurant choice was not what the community voted to support. She stated that she did not understand why the Board chose Charm City over the Heaton's Restaurant when 78% of the community voted for the Heaton's. Ms. Wallner thanked the Board for their service to the community, but stated that she had lost respect for the Board's perspective on the issue. Ms. VanSickle commented back to Ms. Wallner's concerns and stated that she did a lot of research before she voted for Charm City and that she is comfortable with the choice that the Board made. She asked that the community support the restaurant chosen.

Mr. Realmuto responded to the public comments as well. He stated that he was who made the survey results public and was in favor of gathering that information. Mr. Realmuto also stated that he supports the decision of the Board even though he did not

vote with the majority. He asked that the community keep an open mind about the new restaurant.

FOURTH ORDER OF BUSINESS

**Consideration of Minutes from the
December 19, 2022 Board of
Supervisors Meeting**

Mr. Howison presented the minutes from the December 19, 2022 meeting to the Board and asked if there were any changes. Hearing none,

On MOTION by Ms. VanSickle, seconded by Ms. Landgrebe, with all in favor, the Minutes of the December 19, 2022 Board of Supervisors Meeting, were approved.

FIFTH ORDER OF BUSINESS

Restaurant

A. Presentation and Discussion of Revised Draft Restaurant Lease Agreement with Complete Inventories Listing

Mr. Howison stated that there was a meeting the previous week regarding the restaurant lease agreement, and asked that the attorney, Ms. Carpenter, review that for the Board.

Ms. Carpenter stated that they had a good discussion with the tenant and his attorney and that they had a few minor comments regarding the lease. Ms. Carpenter also stated that there were some material comments that she sent in an email to Christine Wells and the Chairman and said the Board should now have a copy of that.

Ms. Carpenter overviewed the issues from the tenant. One issue was the lease term, as the tenant wanted a long-term lease of 4-5 years with an option to renew, instead of the one offered of 3 years. The tenant stated that they would not be able to recoup their investment within 3 years. She told the Board that it is their decision if they want to extend the lease to 4-5 years. Ms. VanSickle was in support of a longer lease, which Mr. Realmuto was concerned with the restaurant meeting the needs of the Lake Ashton residents long-term without the ability of canceling with notice. Mr. Costello voiced support of Mr. Realmuto's concerns as well.

Ms. Carpenter suggested they go through all of the terms before making a decision. She reiterated that this lease was a true lease, and if terms were not met that were agreed upon, the Board could terminate the lease.

Ms. Carpenter also highlighted the next issue brought up regarding the Board needing a 90-day notice if the tenant wants to terminate the lease. She stated that the Board and tenant can mutually agree to terminate. Another issue brought up by the tenant was the deposit amount of \$8,000 that was requested in the lease. The tenant said he was expecting the deposit to be \$4,000-\$5,000 and was looking for it to be reduced.

Ms. Carpenter explained the problem the tenant raised about the rent and annual rent increase. She explained that the lease had an off-season and in-season rent amount. The tenant proposed a 2-3% increase or CPI number. Ms. Carpenter and Mr. Realmuto also stated that the tenant had asked for “free rent” for 3-6 months while they startup and gain capital. The “free rent” would be \$100 a month.

Mr. Howison brought up that the tenant also asked that none of the food trucks brought in directly compete with the menu items of his restaurant.

The Board discussed all of the issues and came up with a solution to the issues the tenant had. A motion was made for the lease to have a 3-year term with the option to renew, along with a deposit of \$5,000, and rent at \$1,500 off-season and \$2,000 in-season. The proposed annual rent escalator was to be the lesser of 3% or CPI. The rent for the first 6 months would be free at \$100 per month, and the escalator would start as of October 1, 2024. This also included the ability to terminate with mutual agreement and 90-days’ notice.

On MOTION by Mr. Realmuto, seconded by Ms. VanSickle, with Mr. Realmuto, Ms. VanSickle, Mr. Howison and Ms. Landgrebe in favor, and Mr. Costello opposed, the Restaurant Lease Terms with \$100 rent for six months, 3-year lease with the ability to modify to extend, termination with 90 days’ notice upon agreement from both parties, \$5,000 deposit, and 3% increase or CPI, whichever is less, beginning October 2024, was approved 4-1.

On MOTION by Ms. VanSickle, seconded by Ms. Landgrebe, with all in favor, the Restaurant Lease in Substantial Form and Authorizing the Chairman to Sign, was approved.

SIXTH ORDER OF BUSINESS

Old Business

A. Discussion Regarding the Joint Amenity Facilities Policies

I. Discussion Regarding Smoking Policy at Amenity

Ms. Landgrebe had a concern that the smoking area was directly outside of the clubhouse, and she wanted it moved away from the building. The Board directed staff to look into other designated smoking options and bring it back to the Board.

B. Discussion Regarding Insurance Coverage for Volunteers

Ms. Burns went over the volunteer coverage information and the Board discussed the volunteers needing to be covered by insurance. Ms. Burns stated that the insurance policy would cover the volunteers and they all would be covered under it.

On MOTION by Mr. Realmuto, seconded by Ms. Landgrebe, with all in favor, the Insurance Coverage for Volunteers, was approved.

C. Discussion Regarding Landscaping Concerns (requested by Supervisor VanSickle)

This item was moved to the Operations Report during approval of the meeting agenda.

D. Discussion Regarding Constant Contact Email

Mr. Howison brought to the Board the updated Constant Contact email pricing. The Board discussed alternatives, and who currently used this, and the intent was to split the cost of this 50/50 with the Lake Ashton II CDD. The Board decided to give Christine the authority to make a final decision on the plan that is to be chosen. Mr. Howison also said that if she cannot decide then she can bring it to their next meeting.

E. Discussion Regarding the Marina

Mr. Howison brought to the Board the discussion regarding the marina that was initially brought up by Lake Ashton CDD II. He stated that the marina is damaged and owned by the developer. Mr. Howison has scheduled a meeting with the developer to gather facts about the property. He stated that he had no intention of making a decision and that he would come back to the next meeting with information so that the Board could make an informed decision.

F. Discussion Regarding the Roles of Board Members

Mr. Howison brought this discussion to the Board and highlighted what the current roles of each Board member were. He also stated that he wanted to review the processes involving addressing staff performance issues and assignments. Mr. Howison delegated Mr. Costello to security, Mr. Realmuto to the budget, Ms. Landgrebe to be the HOA liaison, and Ms. VanSickle a one-time activity of looking at the feasibility of developing a strategy for the CDD to guide them through the next two years.

Mr. Howison also brought to the Board the suggestion of having the future minutes typed as a summary instead of verbatim. The Board discussed amongst themselves and with Ms. Burns and Ms. Carpenter, and the Board agreed to do a trial run of summary minutes for 3 months.

Ms. Carpenter and Ms. Burns agreed with Mr. Howison regarding the staff suggestions, and stated that it is the job of the Board to set policy and not to do day-to-day operations. She also agreed on the non-verbatim minutes.

Mr. Realmuto brought up to the Board that summary minutes may not give a full picture of the meeting, and stated that it was a fear of his that there would not be an account of what happened during the meeting. Ms. Burns confirmed that there will always be a recording of the meeting that anyone can access upon request. Mr. Realmuto also brought up concerns about staff roles. Mr. Realmuto stated that he would be happy to help provide a more up-to-date financial picture to the Board.

On MOTION by Ms. VanSickle, seconded by Ms. Landgrebe, with all in favor, the Summary Minutes 3 Month Trial Run, was approved.

SEVENTH ORDER OF BUSINESS

Monthly Reports

A. Attorney

Mr. Howison asked Ms. Carpenter to present the Attorney’s Report, and Ms. Carpenter did not have anything further to report other than the lease that was discussed earlier in the meeting.

B. Engineer

Mr. Rayl presented the Engineer’s Report to the Board. Mr. Rayl stated that he would coordinate with the new restaurant user coming in and figure out how to contain the oil to the dumpster area.

Mr. Rayl addressed a drainage issue behind a home on Dunmore and stated that it could be related to the intersection drainage issue that was done a few years ago. Mr Rayl said he would look into the issue and bring it back to the Board.

C. Lake Ashton Community Director

Ms. Wells presented the Community Director’s Report and offered to answer any questions. The report was also available in the agenda packet. Ms. Wells reviewed the cost saving analysis for the Board along with stating that they were still working on City of Lake Wales adjustments and TECO adjustments.

Ms. Wells reviewed two quotes that were included in the agenda packet for AEDs for the Board. The Board decided to go with the quote for the two AEDs from AED One-Stop Shop.

On MOTION by Mr. Realmuto, seconded by Ms. Landgrebe, with all in favor, the Quote from AED One-Stop Shop, was approved.

Ms. Wells also reviewed quotes for the walk-in cooler and floor repairs. The Board discussed and decided to approve the repairs of the cooler and floor from the C and D Mobile Welding and Fabrication quote for \$4,600.

On MOTION by Ms. Landgrebe, seconded by Mr. Realmuto, with all in favor, the Quote from C and D Mobile Welding and Fabrication, was approved.

**Mr. Costello left the meeting at this time*

Ms. Wells also reviewed quotes for other restaurant maintenance items. There were several items that Ms. Wells did not suggest the Board move forward on, but highlighted the items she thought would need repairing. The total amount of the items Ms. Wells suggested be repaired was \$6,705.

On MOTION by Ms. Landgrebe, seconded by Ms. VanSickle, with all in favor, the Not-To-Exceed Amount of \$6,705 for Restaurant Repair Items, was approved.

D. Operations Manager Report

Mr. Fisher presented the Operation Manager’s report to the Board. He reviewed the report and offered to answer any questions from the Board.

Mr. Realmuto asked about the timer, and Mr. Fisher stated that he approved it since there was money in the budget.

The Board also asked that Mr. Fisher discuss the dog park concerns with Yellowstone and come back to the next meeting with updates.

6C. Discussion Regarding Landscaping Concerns *(requested by Supervisor VanSickle)*

This item was moved from Old Business during the approval of the meeting agenda.

Ms. VanSickle discussed landscaping concerns and stated for the record the specific concerns she had. She mentioned the West median being unsightly and dangerous with exposed roots and uneven pavers. Ms. VanSickle stated that they had scheduled mulch but that there was apparently a problem getting it, as well as the weeds and roots not being pulled which could cause harm to residents. Ms. VanSickle stated that the landscapers were not doing work in a timely fashion and were producing a

questionable quality of work. Ms. VanSickle also had issue with the fact that there was trash that instead of being picked up, it appeared it was being mowed over. Ms. VanSickle stated that the company is not being as responsive as they should, and wanted to know what is considered contract compliant.

A landscaper from Yellowstone spoke to the Board and addressed some of the Board's concerns.

The Board agreed with Ms. VanSickle's concerns and discussed that they will need to see positive results occur before the next Board meeting in February to avoid a letter being sent to Yellowstone expressing the Board's frustration and dissatisfaction with the quality of work being performed.

E. District Manager's Report

Ms. Burns presented her report to the Board. She discussed a problem going on regarding loitering and public meeting access. She stated that security and staff have been advised about this as well. Ms. Carpenter also stated that from an attorney's view she is comfortable with the direction that GMS has given staff regarding the situation.

EIGHTH ORDER OF BUSINESS

Financial Report

A. Combined Balance Sheet

B. Capital Projects Reserve Fund

C. Statement of Revenues, Expenditures, and Changes in Fund Balance

D. Approval of Check Run Summary

Ms. Burns presented the financials and offered to answer any questions that the Board had.

Mr. Realmuto had a question about the labor amounts for on-site staff. He stated that there were 3 on the check summary, and wanted to make sure they were not duplicated charges. He requested this be tabled until accounting can confirm. The check run summary was tabled until the next meeting.

NINTH ORDER OF BUSINESS

Public Comments

Mr. Howison opened it up to public comments.

Tom Scali (Resident, 3084 Dunmore Drive), had comments for the attorney regarding if people will be allowed to bring their own alcohol into the restaurant. Ms.

Carpenter explained to the resident that once a liquor license is obtained by the restaurant, you are not able to bring your own drinks in because the liquor license covers the whole facility and they are the only ones legally allowed to bring and serve alcohol. Mr. Scali also asked why the sales office does not fall under their covenants. Ms. Burns followed up with the resident stating that question would be for the HOA.

Mr. Scali also raised the concern that the residents are very upset that no maintenance is being done on the marina damage. He also stated that if the minutes are to be summary moving forward, to please include resident comments because many residents feel like their comments are ignored and they would like the visibility of them in the minutes.

Jack VanSickle (Resident, Lot 573), brought more explains of the landscaping work Yellowstone was doing. He stated that there were issues with stone not being received for the base of the bottle brushes next to the tennis courts. He said that they put mulch around one, but only around 80% of the tree, and the other was not done at all. Mr. VanSickle wanted to ask how long it would take for this to get finished if a letter was not sent to Yellowstone to get their attention.

TENTH ORDER OF BUSINESS

Supervisor Requests / Supervisor Open Discussion

Ms. VanSickle stated that she had received a phone call from a resident who asked why the Board was trying to run off Bingo. She wanted to state for the Board that they as a community need to acknowledge and appreciate the work and effort done by Lake Ashton volunteers. She highlighted that the Bingo volunteers work for 4-6 hours each Monday night and provide half of the rental income the District expects to take in. She stated that the Bingo group feels harassed due to the comments and rent increase. Ms. VanSickle listed several things that the bingo group has donated money to in the past, and stated that Bingo went from a generous benefactor to just a rental tenant.

Mr. Realmuto followed up to Ms. VanSickle's comment and stated that the Bingo group are a very appreciated group at Lake Ashton and that is why they receive a substantial rental discount. He stated that they pay well under half of what outsiders pay to rent the ballroom. Mr. Realmuto stated that he did not feel that it was a fair characterization of making an infrequent adjustment to the heavily discounted room rental

rate. Ms. Landgrebe and Mr. Realmuto also brought up that under the joint amenity policy, the Bingo group is not a resident. Mr. Realmuto also wanted to assure the Bingo group that there is no intent to run them off and that they are happy to have them there and appreciate the income they bring to the District.

Mr. Realmuto had comments regarding the issues Mr. Howison brought to the Board earlier in Old Business. He stated that he would have appreciated a heads up regarding the standard agenda items that say "Discussion of" and to be able to know what they would be discussing.

Mr. Realmuto also wanted to state for the Board why he feels it is important that he has access to the District's financial records. He stated that without him being able to look at detailed invoices coming in, he would not have been able to discover potential areas for savings for the District. Mr. Realmuto stated that the cost saving analysis in the Amenity Manager's report was not something the staff got on their own. He gave the staff credit for some of the issues, but raised that without his ability to see detailed invoices these things would not have been seen. Mr. Realmuto highlighted things like the leak adjustment, TECO bills, replacing the water meter, waste disposal, and sales taxes.

Mr. Howison followed up that he did not say Mr. Realmuto should not have access to this information, and that he stated he would like to have an easier way for the entire Board to have access to that information.

Ms. Landgrebe asked who is responsible for identifying these cost saving issues, and stated she thought it was a GMS responsibility. Mr. Howison agreed and stated that is why he wanted to bring this up, so that these things cannot be missed in the future.

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. VanSickle, seconded by Ms. Landgrebe, with all in favor, the meeting was adjourned.


Secretary / Assistant Secretary


Chairman / Vice Chairman