

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, February 27, 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 February 27, 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 for any changes to the agenda. Hearing none,

On MOTION by Ms. VanSickle, seconded by Ms. Landgrebe, 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 had one resident request to make a public comment.

Resident (Tom Scali, 3084 Dunmore Drive) asked that the Board discuss the fire that was on Waterford. He wrote up some questions that he would like answered by the fire inspector who is coming. Mr. Scali also stated that Mr. Costello could modify or delete whatever he thinks for the questions. Mr. Scali said that the community needs to know what happened, why it happened, and what they can do to prevent it from happening in their own homes. Mr. Scali stated that he had brought this to the HOA but received a negative response so he is asking the CDD so that there could hopefully be action taken.

Regarding Mr. Scali’s comment, Ms. Burns stated that the CDD oversees common areas and amenities. The HOA is responsible for private property, and this incident took place on private property so this would not necessarily be a CDD issue. Mr. Costello stated that he read what Mr. Scali wrote down, and said that everyone needs to remember that those houses are Masonry construction and the heat builds up in them very quickly with few voids for it to escape. Mr. Costello also highlighted that smoke detectors have a shelf life of 10 years, but a lot of the houses are 20 years old or more and likely have the same detectors so changing those out is important. Ms. Landgrebe applauded the staff for their proactive action in getting the fire department there quickly during the incident.

FOURTH ORDER OF BUSINESS

Consideration of Minutes from the January 23, 2023 Board of Supervisors Meeting

Mr. Howison presented the minutes from the January 23, 2023 meeting to the Board and asked if there were any changes. There was a change from Mr. Realmuto and from Ms. VanSickle and those changes will be reflected in the final version.

On MOTION by seconded by Mr. Realmuto, and Ms. VanSickle with all in favor, the Minutes of the January 23, 2023 Board of Supervisors Meeting, were approved, as amended.

FIFTH ORDER OF BUSINESS

Restaurant

- A. Update on the Status of Restaurant Lease Agreement

Mr. Howison stated that there was not a signed lease agreement currently, and there were no outstanding issues with the lease but Mr. Minadakis filed his business application but it had not shown up yet as a state approved business. Therefore, the lease cannot be executed until that happens.

Ms. Landgrebe stated that the residents had been waiting for restaurant updates prior to this meeting, and asked if they could update the community prior to each meeting. Ms. Carpenter stated that negotiations were finished and they did not have an update for the community until they knew an opening date. Ms. Burns stated that once they had an executed lease, they could include the completion of that in the next blast out to the community. Regarding communication, Mr. Realmuto reminded the Board that they should limit the communication to the facts they have and get in the habit of allowing any other communication with the restaurant's customers to take place between the restaurant and the customers.

Ms. Landgrebe also asked about how much access Mr. Minadakis had to the restaurant prior to the executed lease. Ms. Carpenter replied that until the lease was completed and they had insurance, there was no access into the restaurant for Mr. Minadakis. It was also stated by Mr. Howison that the rent would begin on the date of commencement.

B. Discussion Regarding Replacement of Patio Awning

Mr. Howison stated that the patio awning was further damaged during the hurricane, but the hurricane deductible is higher than the cost to replace the awning. Ms. Wells reviewed the two proposals for the Board. The Board decided to choose the proposal from Ard's Awning & Upholstery, Inc. for \$24,000 due to the better warranty offered and dollar savings.

On MOTION by Mr. Costello, seconded by Ms. VanSickle, with all in favor, the Proposal from Ard's Awning & Upholstery, Inc, was approved.

SIXTH ORDER OF BUSINESS

Old Business

A. A Review of Discussions with the Developer (requested by Supervisor Howison)

Mr. Howison stated that he had met several times with the representative for the developer with the objectives to reestablish a positive relationship with open communications, second to gain all facts possible regarding the developer's intentions related to the sales office and the marina, third to secure a possible means of establishing some level of influence over the disposition of the sales office building in the long term. Mr. Howison stated that the discussions have been frank and respectful, and that no commitments have been offered nor will be made as he recognizes that he is one of five members of the Board. He said if there comes a time that action is warranted, he will bring that to the Board for presentation. Mr. Howison stated that his hope was for the Board to work together to formulate a strategy that makes sense to them and the developer and entire community.

SEVENTH ORDER OF BUSINESS New Business

A. Consideration of Resolution 2023-04 Authorizing Spending Authority to CDD Manager, Community Director, and Chairman

Ms. Burns stated that this was a standard resolution that most Boards adopt because to keep the business of the District going, someone has to have authority to approve incidental expenses. The resolution outlined the main points for one-time expenses and gives the District Manager and Community Director for up to \$5,000. Anything beyond \$5,000 but not exceeding \$15,000 would be approved by the District Manager and the Chairman. She gave the example that if an air handler went out in the building and it was \$10,000 to replace it, they would not want to have to wait 10 days to get that started and approved, and that in that case Mr. Howison and Ms. Burns could get together and approve that expense. Ms. Burns asked for discussion on this and offered to answer any questions.

Mr. Howison stated that this was a standard recommendation from management that came after the discussion he had with management about his not wanting to overstep his authority as Chairman and stated that he had not seen anything in writing that protected against that.

Mr. Realmuto stated that he understood the need for a motion authorizing these types of expenditures and he did not have issue with that. Mr. Realmuto stated that based on prior experiences that the Board has had, particularly with the restaurant management

company, that he had a specific concern about section B that addressed the non-continuing expenses and the words, “required to repair, control, or maintain a District facility or asset beyond the normal, usual, or customary maintenance required”. His concern was that the word “maintain” could be ambiguous. Mr. Realmuto stated that he was fine with using this for things that are of an immediate nature.

Ms. Burns followed up to Mr. Realmuto’s concerns by stating that the intent of this was to give their staff flexibility to make decisions and to trust them to make those decisions. She gave the example of a small section of sod that was dead and needed to be replaced and the cost was \$250, stating that Ms. Wells and Mr. Fisher of their staff should be able to make the decision to spend \$250 on that landscape improvement without having to bring something that small to the Board. She stated that the difference was that if they were going to rip out a whole section of the boulevard and redo that, they are trusting staff to make that distinction that that is something that goes to the Board for approval, but it also allows the flexibility that not every single maintenance item has to come before the Board.

Mr. Realmuto asked if it was the supervisors’ understanding that the things that would not be authorized under this clause are improvements, or things that would be nice to have? Things like improving or replacing landscaping, painting, and replacing drapes or floors. Mr. Realmuto also asked if the Board would like to have a different category for maintenance items that \$5,000 or \$15,000 would be excessive for, such as those routine maintenance items mentioned prior, rather than leave it to staff discretion.

Mr. Howison said he did not think they needed to modify the whole section B, but that the examples given were good, and that if those came before him, he would have them presented to the Board.

Mr. Realmuto stated that if the Board was not interested in modifying that, then he would like to be sure that the examples were on record in the summary as guidance for future Board’s and Chairs.

Mr. Howison asked Ms. Carpenter if there was a way to modify the resolution to address Mr. Realmuto’s concern. Ms. Carpenter said they can modify it, suggesting for now, “required to repair, control or maintain in its current condition,” because it would be restoring things.

On MOTION by Ms. VanSickle, seconded by Mr. Realmuto, with all in favor, Resolution 2023-04 Authorizing Spending Authority to CDD Manager, Community Director, and Chairman, was approved as amended.

Ms. Landgrebe asked what amount the Community Director could currently spend without the Board's approval, and that amount was \$5,000. Mr. Realmuto asked Ms. Wells to state for the record what she would spend in those example situations. Ms. Wells confirmed that she would refer to the Board in those situations. Ms. Burns also followed up that very rarely would they see anything that was not under consultation with the District Manager, Community Director and Chairman.

B. Consideration of First Amendment to the District Management Services Agreement

Ms. Burns presented and overviewed this for the Board. She explained that this was brought forward because since the District was established in 2005, there have been rules and statutes that had changed. She stated that the only original contract that was changing was with the South Florida GMS office. Ms. Burns stated that their contract had been with the Central Florida office for many years with exception of the District's accountant is in the South Florida office but she will continue to do the accounting. Ms. Burns elaborated that this amendment is a clean-up item for GMS's intercompany billing and nothing substantial was changing to the Lake Ashton staff.

Ms. Carpenter stated that she reviewed the agreement.

On MOTION by Ms. VanSickle, seconded by Ms. Landgrebe, with all in favor, the First Amendment to the District Management Services Agreement, was approved.

C. Consideration of Updated On-Site Staffing Agreement with GMS

Ms. Burns stated that this agreement was similar to the previously approved agreement above, and that GMS had reviewed this and needed an updated agreement. Ms. Burns explained that the agreement was for all on-site employees that they have with GMS, as in Christine Wells and Matt Fisher along with their teams. This agreement

included updated job descriptions and roles and it matched what was in the budget plus the addition of the new employee the Board approved. Ms. Burns elaborated that another change was the entity listed being CALM, and that is the entity GMS uses for all on-site contracts and any of the HOA contracts. Ms. Burns also stated that Ms. Carpenter's office did have a chance to review this.

Ms. Landgrebe asked Ms. Burns about the hurricane preparedness plan, and if GMS had a different plan than what CERT has done for the community. Ms. Burns replied that this was for staff to secure CDD owned infrastructure, and that GMS does not tell residents what they should do. Mr. Howison explained that there was not a conflict there because CERT looks at emergency response.

Mr. Realmuto stated that some of the Board members may not have been familiar with the agreement and he had a question about the scope of services. He stated that the Board may want to look at the scope of services and enhance that section. He suggested that even though they approve the contract, they can go back and look at it more in depth. Ms. Burns stated that this was a general overview of positions, and that there were things not included specifically that their staff does that is not reflected.

Mr. Realmuto also pointed out that there is a section that stated that GMS is responsible for paying their invoices, but there is also a clause saying that if GMS does not do its job and pay within 30 days, the District is going to be billed interest. He stated that he understands they are separate legal entities, but he would like to depend on the attorney to review things from the District's point of view, because some of the items do not represent the District's interests very well. He asked that something be inserted to protect the District in this case. Ms. Carpenter stated that they can do that, but that there is a standard built into every contract in Florida, and that if it is failed to pay by the relaying entity, they are not going to charge interest, but that she could add that in. Ms. Burns stated that this language is like that due to similar contracts being developer funded, where GMS is waiting for the developer to provide those funds so the invoices can be paid, but when the District gets to the point where they are collecting assessments on the tax bill, the funds are readily available. When they are developer funded, funds are not collected on the tax bill, and GMS sends them a bill for them to send the funds. Ms. Burns also stated that Lake Ashton had never been charged interest for invoices not being paid.

Mr. Realmuto also had concerns about Section 10-B, and he stated that he believed it meant it could be effective immediately at the Consultant's judgement, and suggested that there should be wording in there about the Board being given time to correct the defect rather than make an immediate reactive due to a single supervisor. Ms. Carpenter stated that this was of no concern due to how this Board is run. She also stated that this was a typical clause for this type of contract and that she would review. Ms. Burns also stated that she would discuss internally the language of this.

On MOTION by Ms. Landgrebe, seconded by Ms. VanSickle, with Ms. Landgrebe, Ms. VanSickle, Mr. Howison and Mr. Costello in favor and Mr. Realmuto opposed, the Updated On-Site Staffing Agreement with GMS, was approved 4-1.

D. Review of Volunteer Safety Manual

Ms. Burns stated that this was provided by the insurance carrier and was a general guideline provided to volunteers the District would have.

Ms. Carpenter stated that it was suggested that if someone is doing work here, they should sign a waiver. Ms. Wells is to meet with the regular volunteers to go over this manual and have them sign it.

E. Consideration to Renew the Copier Lease

Ms. Wells stated that there was an agreement from DEX Imaging included in the agenda packet that the attorney had reviewed as well. Ms. Wells reviewed the agreement for the Board and offered to answer any questions.

On MOTION by Ms. Landgrebe, seconded by Ms. VanSickle, with all in favor, the Renewal of the Copier Lease, was approved.

F. Discussion Regarding Security (requested by Supervisor Costello) NOT CLOSED SESSION

Mr. Costello stated that he and Ms. Wells met with a security representative, and that he and Mr. Mecsics attended a Lake Ashton community development meeting. Mr. Costello offered to answer any questions from the Board.

G. Discussion Regarding Reserve Study/Strategic Planning (requested by Supervisor VanSickle)

Ms. VanSickle stated that staff did a wonderful job on the Reserve Study. She also stated that there may need to be a line added for acquisition, and also needed to look at the Thompson Nursery road widening.

Ms. VanSickle also stated that she contacted all of the county commissioners and one responded regarding the safety aspect of the road widening.

Ms. VanSickle also reviewed the Focus 2025 and asked the Board if there were any items they felt strongly about moving forward on. Mr. Costello stated that they should look into getting a generator. Mr. Realmuto agreed and stated that they need to look into being able to provide electricity in emergency circumstances.

There was a discussion regarding the fitness center being open 24 hours a day. Ms. Carpenter stated that security would be an issue. Mr. Costello stated that safety could be an issue as well.

Ms. VanSickle stated that the Reserve Study should be updated to include current scenarios. The Board discussed that they would review this and work toward getting it updated.

H. Discussion Regarding Thompson Nursery Road Expansion (requested by Supervisor Landgrebe)

Ms. Landgrebe stated that they needed to discuss the concerns from the residents that the road expansion has brought. Mr. Costello stated that the Board needed to be proactive and look at the possibilities the road expansion would bring. Mr. Howison stated that he believed that the Board was doing what they could do based on the facts that had been presented currently.

Ms. Landgrebe asked if there would be a way to get official information from the county regarding the dimensions of the project. Mr. Howison replied that they had been informed that the final design of the Thompson Nursery Road expansion was scheduled to be completed in the 3rd quarter of 2023, likely around July, and construction would begin around 2025, lasting about 2 years. He also stated that all of that was subject to change. Ms. Carpenter stated that once those plans are public, copies could be obtained by the District for no charge.

EIGHTH ORDER OF BUSINESS

Monthly Reports

A. Attorney

Ms. Carpenter stated that they were finishing the restaurant lease this month. She also stated that she was working on small contract things as well. The Board did not have any questions.

B. Engineer

i. Consideration of Proposal from Cloud 9 Services, LLC to Clean and Jet Storm Line to Locate Outfall

Mr. Rayl presented the Engineer's Report to the Board. Mr. Rayl stated that they obtained quotes to clean the storm sewer line on Dunmore where the drainage was slow and it was suspected there was a blockage in the line. There were two quotes submitted, and after evaluated, Mr. Rayl suggested the quote from Cloud 9. The quote was included in the agenda package.

On MOTION by Mr. Realmuto, seconded by Mr. Costello, with all in favor, the Proposal from Cloud 9 Services, LLC to Clean and Jet Storm Line to Locate Outfall, was approved.

Mr. Rayl also gave an update on a fluid spill that they suspected was from the sanitation pickup in the community. He stated that he reached out to the City of Lake Wales the same day and did not hear back. Mr. Rayl is monitoring that and will continue to try to get their attention about the matter.

Mr. Rayl stated that he had been coordinating with staff regarding Reserve Study items. He also stated that his team was looking into shoreline stabilization in Lake Ashton.

C. Lake Ashton Community Director

i. Discussion Regarding Adding a Ramp to the Clubhouse Pet Play Park

Ms. Wells presented the Community Director's Report and offered to answer any questions. The report was included in the agenda.

Mr. Rayl commented that he spoke to the new restaurant owner about the cooking oil issues the community has had in the past, and the restaurant owner uses a more modern system that prevents those types of issues.

Mr. Realmuto asked for an update regarding the letter from the HOA mentioned in the report. Ms. Landgrebe said that they had responded to the letter, and the HOA stated that they had moved to a new phone number already and would be receiving a new phone. The original request for this had stemmed from a mutual discussion on the issue.

Ms. Wells led a discussion regarding the placement of the smoking area. The Board decided to designate the south portion of the east parking lot.

Ms. Wells brought to the Board that a resident had requested a ramp be installed in the Pet Play Park for dogs. The drawing of this was included in the agenda package. The resident would pay for the construction of the ramp and installing it. Ms. Carpenter added that the District would need to make sure they have the right to remove it if it doesn't remain up to District standards. The Board discussed, and decided to table this to the next meeting so anyone who supported it or has issue can come forward then to discuss it.

D. Operations Manager Report

i. Landscaping Reports and Additional Items

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

Yellowstone Landscaping presented a proposal for the work needed for plant removal and the addition of new plants. The Board discussed, and there were two choices. One was to do the work now, and the other was to wait until October, which would be the next fiscal year. Ms. VanSickle and Mr. Costello stated that they would like it done now, due to possible pricing differences later. Mr. Realmuto was in favor of the project but wanted to wait until the next fiscal year when the money was budgeted for.

On MOTION by Ms. VanSickle, seconded by Mr. Costello, with Ms. VanSickle, Mr. Costello, and Ms. Landgrebe in favor, and Mr. Howison and Mr. Realmuto opposed, the Proposal from Yellowstone Landscaping, was approved 3-2.

Regarding the irrigation meter options included in the agenda and Field Operations Manager report, the Board discussed and they agreed to give staff direction to move forward with Option 4.

ii. Consideration of Quotes to Install a Handicap Door Opener

Mr. Fisher presented the options for the handicap door opener, and stated that they reached out to 3 vendors. The proposals were included in the agenda. The Board decided to choose the proposal from Precision Safe and Lock, which Mr. Fisher suggested as well.

On MOTION by Mr. Costello, seconded by Mr. Realmuto, with all in favor, the Proposal from Precision Safe and Lock to Install a Handicap Door Opener, was approved.

E. District Manager's Report

Ms. Burns presented her report to the Board. She gave an update and stated that the tax-exempt application deadline was March 1, but because they have not had any change in the usage or have not acquired any property, Polk County did not require them to update that. She offered to answer any questions from the Board.

NINTH 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.

On MOTION by Mr. Realmuto, seconded by Ms. VanSickle, with all in favor, the Check Run Summary, was approved.

TENTH ORDER OF BUSINESS

Public Comments

Mr. Howison opened it up to public comments.

Tom Scali (Resident, 3084 Dunmore Drive): Mr. Scali asked the Board if in the future a screen could be attached in the Clubhouse so they can enclose the area. Mr. Howison stated that they would look into that. Mr. Scali also asked for an update on the marina and if there were safety hazards regarding it. Ms. Burns replied that as far as hazards, the marina is not CDD owned property or area so they do not have an answer to that. Mr. Scali also asked the Board for a security update regarding the community. Mr. Costello replied that they were being proactive and looking at different things.

ELEVENTH ORDER OF BUSINESS

Supervisor Requests / Supervisor
Open Discussion

Mr. Howison asked for any supervisor comments or open discussion.

Ms. Landgrebe stated that the HOA had changed their meeting dates and times, and they now meet on Tuesday evenings at 6:30 p.m. in the craft room. She indicated that she would not be able to attend the meetings at the new time. Mr. Realmuto was then appointed as the new HOA Liason for the CDD.

Ms. Landgrebe also stated that she will not be able to attend the March CDD Board of Supervisors meeting.

Mr. Realmuto stated that he agreed with Mr. Scali and the Board needed to take a more aggressive role in what is happening outside of Lake Ashton.

TWELFTH 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