
MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

LEXINGTON OAKS
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Lexington Oaks Community Development District was held on **Thursday, August 25, 2005 at 8:30 a.m.** at the Lexington Oaks Clubhouse, located at 26304 Lexington Oaks Boulevard, Wesley Chapel, Florida 33544.

Present and constituting a quorum:

Tim Murray	Board Supervisor, Chairman
Peter Hanzel	Board Supervisor, Vice Chairman
Patricia Dwyer	Board Supervisor, Assistant Secretary
Don Peters	Board Supervisor, Assistant Secretary

Also present were:

Scott Brizendine	Representative, Rizzetta & Company, Inc.
Mark Straley	District Counsel, Straley Robin & Williams, P.A. <i>(joined the meeting in progress)</i>
Dayne Piercefield	District Engineer, GeoSurv3
Shawn Millard	Clubhouse Manager, Lexington Oaks
Audience	

FIRST ORDER OF BUSINESS

Call to Order

Mr. Brizendine called the meeting to order and read the roll call.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

**Consideration of the Minutes of the
Board of Supervisors' Meeting on
July 28, 2005**

Mr. Brizendine asked if there were any questions, additions, deletions or comments to the minutes. Ms. Dwyer stated that she had a correction: on page 10, under the Tenth Order of Business, where it states "*Mr. Murray stated that the signs will not be removed*". She clarified with Mr. Murray, stating that the signs will be removed. Mr. Brizendine stated he will make a note of the correction. Both Ms. Dwyer and Mr. Peters stated that the minutes were very

detailed and comprehensive, regarding the residents' comments. Mr. Peters requested to add the following addition: *Katherine Peters had asked if the \$345,000, used for the villas, was returned back to the CDD. Mr. Murray stated that it was returned. She had also asked whether Lexington Oaks Clubhouse taxes were being paid by Pulte Homes, since they are still the owners. Mr. Murray had stated that they were.* Mr. Brizendine stated that he will make a note of the addition. Mr. Brizendine asked if there were any other comments. Hearing none, he asked for a motion to approve with the corrections.

On a Motion by Ms. Dwyer, seconded by Mr. Murray, with all in favor, the Board of Supervisors approved the Minutes of the Board of Supervisors Meeting on July 28, 2005 (with corrections) for the Lexington Oaks Community Development District.

FOURTH ORDER OF BUSINESS

Consideration of Operation and Maintenance Expenditures for July

Mr. Brizendine presented the Operation and Maintenance Expenditures for July totaling \$66,695.98, which had been tabled from the July meeting. Mr. Brizendine asked if there were any questions. Mr. Handel stated that since the District has a contract with Luke Brothers for treatments to the soccer field for insects, he wanted some clarification about the \$425 bill from Hawkeye Pest Control. Mr. Millard stated that Hawkeye Pest Control treats the interior and exterior of the clubhouse and the bill includes a special treatment on one of the walls for a bee's nest. Mr. Brizendine stated that the bill was for one-time treatment to the soccer field for fire ants. Mr. Murray stated that this should have been a job for Luke Brothers. Ms. Dwyer asked about the removal of the dead holly tree. There was a brief discussion about this topic. Mr. Brizendine asked if there were any other questions. Hearing none, he asked for a motion to approve. Mr. Peters stated that the approval of the expenditures should be conditional, pending Mr. Millard's contact of Hawkeye, to find out the scope of the work they did, since what they did was not clearly stated, and is covered by another contract with Luke Brothers. Mr. Brizendine stated that the motion to approve is conditional, pending follow-up with Hawkeye Pest Control.

On a Motion by Ms. Dwyer, seconded by Mr. Murray, with all in favor, the Board of Supervisors approved the Operation and Maintenance Expenditures for July (pending follow-up on the \$425 invoice from Hawkeye Pest Control) for the Lexington Oaks Community Development District.

FIFTH ORDER OF BUSINESS

Consideration of Operation and Maintenance Expenditures for August

Mr. Brizendine presented the Operation and Maintenance Expenditures for August totaling \$32,756.56. Mr. Brizendine asked if there were any questions. Ms. Dwyer stated that the header on the second page of the report should read "July 1, 2005 thru July 31, 2005" instead of "June 1, 2005 thru June 30, 2005". Mr. Brizendine made a note of the correction. There was a brief discussion about the bill from Hawkeye Pest Control. He asked if there were any other questions. Hearing none, Mr. Brizendine asked for a motion to approve the expenditures with the stated corrections.

On a Motion by Mr. Murray, seconded by Ms. Dwyer, with all in favor, the Board of Supervisors approved the Operation and Maintenance Expenditures for August (with corrections) for the Lexington Oaks Community Development District.

SIXTH ORDER OF BUSINESS

Consideration of Series 2002 Construction Requisitions #108-#111

Mr. Brizendine presented the Series 2002 Construction Requisitions #108-#111, which were tabled from the last meeting. He asked if there were any questions or comments. Mr. Murray stated that he will supply backup invoices for the construction requisitions. He went on to discuss this in greater detail, stating that, starting next month, all contracts coming into the District that bid over \$20,000, they will first be submitted to the Board with documented proof of cost. There was some discussion on this topic. He also stated that invoices coming from District Counsel and the District Engineer will now be paid with monies from the Operations and Maintenance fees, rather than paying these two expenses from the capital bond proceeds.

Mr. Murray reviewed each requisition, giving explanations as needed. After a brief discussion on these items, Mr. Brizendine asked if there were any other questions or comments. Hearing none, he asked for a motion to approve. Mr. Hanzel stated that, at this particular time, he will be voting against the approval of the requisitions. He stated that his reason was the lack of support documentation, for the \$29,815 from Bay Area Environmental Services, which was originally contracted at \$14,500 on March 29, 2005. Mr. Hanzel explained that his problem was the lack of documentation that explains how costs went from \$14,500 to \$29,000. Mr. Murray asked Mr. Hanzel what would need to happen for him to give a vote for approval. Mr. Hanzel stated that he knew there was documentation somewhere that would have the explanation and that he knew that the requisition would be approved. However, for this meeting, he will keep his vote as a no. Mr. Hanzel then asked for a motion to approve.

On a Motion by Mr. Hanzel, seconded by Mr. Murray, with a 3 to 1 vote (Hanzel), the Board of Supervisors approved Series 2002 Construction Requisitions #108-#111 for the Lexington Oaks Community Development District.

SEVENTH ORDER OF BUSINESS

Consideration of Series 2002 Construction Requisitions #113 and #115

Mr. Brizendine presented the Series 2002 Construction Requisitions #113 and #115 to the Board for review. He asked if there were any questions. Hearing none, he asked for a motion to approve.

On a Motion by Mr. Murray, seconded by Mr. Hanzel, with all in favor, the Board of Supervisors approved Series 2002 Construction Requisitions #113 and #115 for the Lexington Oaks Community Development District.

It was noted that District Counsel, Mark Straley, joined the meeting.

EIGHTH ORDER OF BUSINESS

**Discussion Regarding Capital
Improvement Survey Workshop**

Mr. Brizendine presented the discussion regarding the Capital Improvement Survey Workshop. Mr. Murray stated that at this time, due to a time conflict, he asked if Mr. Piercefield could give his report.

NINTH ORDER OF BUSINESS

District Engineer's Report

Mr. Piercefield handed out the summary of the Engineer's report on the drainage repair. He reviewed the report with the Board, as well as gave a summary of his meeting with SouthWest Florida Water Management District's (SWFWMD) representative concerning the hydraulics reports for the 21 lakes in Phase I that are under review, five of which are deficient. There was a brief discussion about the reports. Mr. Peters asked if the biannual inspections, that SWFWMD conducts, have been done yet. Mr. Piercefield stated that, if King Engineering had generated the inspection reports, it would be in their files. Mr. Murray stated that he will get copies of the reports from King Engineering for the Board and the District Engineer. There was more discussion on this topic.

Mr. Piercefield discussed the emergency storm pipe repair. He stated that he had great response from Bay Area Environment Services, and the total cost for the repair was \$3,650, which he stated was a very fair price for the work that was done. Ms. Dwyer asked if the District would get the funds back from Verizon. Mr. Murray stated that it would.

Mr. Piercefield discussed the Bay Area Environmental Services joint repair. He passed around pictures and stated that he had videotapes of before and after the work was completed to show the extent of the damage. He stated, on the first page of his report, he felt that there was a latent defect with the drainage system. He explained that Pulte's representative at that time, Tom Bennett, informed him that 1) they had no latent defect clause in their contract with the District; and 2) the engineering would come back without a pipe. Mr. Piercefield stated that it would cost about \$29,000 to repair and he went ahead with the repairs.

Mr. Piercefield then discussed the structure repairs for Phase I pond 17B, and he stated that it was structurally sound. He stated that there had been some slumping and it was underwater at one point. He stated that the contractor issued an extended warranty, that should the water level drop and cause aesthetic problems, they will go in and correct the problem. Mr. Murray stated that overall, what they were more concerned about was the structural integrity of the ponds and the aesthetics would be handled later. Mr. Piercefield agreed with him.

TENTH ORDER OF BUSINESS

**Audience Comments on District
Engineer's Report**

At this point, Mr. Murray asked if Mr. Straley could hold off on his report, as he wanted to open the floor up to the audience to make comments to the District Engineer's report. Mr. Murray then asked Mr. Brizendine to ensure that all the audience members had signed in.

An audience member, Mary Smith, asked about the pond repairs and repairs for various drainage problems. She wanted to confirm, as one of the homeowners, that capital reserve funds are not paying for repairs, but King Engineering should be paying for. She also asked that since the commercial complex being built on SR 54 will have access to the ponds in Lexington Oaks for drainage, and the run-off, drainage, oil, etc., from the cars and businesses will be draining into the ponds, does this mean that the homeowners will have to maintain and repair these ponds? And if so, how did the Board allow that to happen?

Mr. Murray stated that the expenditure of the capital bond proceeds was for the \$62,000 repairs for pond improvement/repairs to ponds 17BB and 17BA. It was a design failure and had nothing to do with King Engineering's structure and engineering. It had to do with the drain corruption from the materials used to build the weir, which was approved by SWFWMD, but then failed. He stated that there was no one to fault for the design failure and the District had the capital bond proceeds to fall back on for this situation.

Mr. Murray stated that as far as the ponds and drainage for the complex, he needed to do a follow-up to Ms. Smith's question. As far as the design for Lexington Oaks, the drainage and run-off is decided way in advance, from the beginning phases of the development. In order for the Developer to get approval for the development of the community, it was specifically designed for drainage and run-offs. Since the Developer knew that there was going to be commercial buildings, Mr. Murray stated that he would need to go back and look at the design and see if the drainage and run-off would go to one of the ponds in Lexington Oaks.

Ms. Smith also stated that due to the large number of the ponds having multiple problems, it will take a lot of money to rectify these issues and if the District continues to go to capital reserves for funding, there won't be any funds left in capital reserves. She also stated that there are street problems that have not been corrected and these are things that are part of the CDD. She felt that, as homeowners, they may be asked to help satisfy these costs and they want to make sure that these issues are addressed and arrangements made for funding so they won't have to use capital reserves.

Mr. Mulé stated that from the pictures, it appeared that the pipes had not been welded together. He asked Mr. Piercefield if it were shoddy workmanship or messy corrective work. Mr. Piercefield stated that, at this time, it would be hard to prove either. Mr. Mulé stated, as he understood from Mr. Murray's comments, that the District would pursue the \$29,000 from the persons who repaired the pipe. Mr. Murray stated that was not what he meant. Mr. Mulé stated that he felt that this was what needs to happen, because the District should not have to pay for work someone didn't do properly. Mr. Mulé stated that as far as the weir structures between

Hawthorne and Saratoga are concerned, his understanding was that dredged muck was used to build the weir. He stated if that was the case, it needs to be removed and grain(?) needs to be placed there. After a brief discussion, Mr. Piercefield stated that there was no muck used to build the weir. There was another discussion on this topic. Mr. Murray then stated that he, Mr. Peters and Mr. Piercefield will meet with Mr. Mulé to survey the ponds behind his house and their water levels.

Mr. Lynn Barr asked if the work on the ponds will start next week. Mr. Murray stated it would. Mr. Piercefield stated that his expectation for doing this is that it will be done twice, once in September and once in December; and that forcing the Board to make these repairs right now, during the rainy season, would be wrong from his viewpoint. Mr. Murray stated that if the engineering firm gives them the scope of work, and Mr. Piercefield's feedback is still the same response, Mr. Murray will then suggest that they do the work. If the soil and sod erodes, then the firm will do the work again, but at no cost to the District. Mr. Murray also stated that he needs to be comfortable with how the repairs will be done, and if Mr. Piercefield isn't comfortable with the repairs, he needs to communicate this to the Board, as well as the subcontractor, and they will revisit this issue. Mr. Barr stated that he would like more information about the work schedules so that he can let the homeowners know when they come to him with questions. Mr. Murray stated that he will increase communications with the homeowners to that effect. He also stated that since there was no more erosion happening to the ponds in question, he felt that work could be held off for 30 - 45 days, rather than 7 -10 days after the meeting.

Ms. Smith stated her concern in waiting to do the repairs on the ponds towards the later part of the year and was there any concern about additional storms and flooding. Mr. Piercefield stated that it would be best if they shut down construction for the rainy season and then start up later in the year. Mr. Murray stated that, from a preventive standpoint, the District doesn't want the sod to wash out every month a storm passes through. The actual question is if the District needs to do preventive maintenance to keep the erosion from creeping up into someone's backyard. Ms. Smith asked if that meant that there was no concern regarding flooding issues if the District waits until the fall to do the repairs. Mr. Piercefield stated that there would be no problems with flooding.

Mr. Peters stated he agreed with Ms. Smith, in that he felt the real concern should be with the water control levels, and he thought that this was what the Board was looking at. Mr. Murray agreed with him. Mr. Peters then stated that he gets calls from residents stating that the water levels are low and he assures them that it will be addressed at the meetings. Mr. Murray stated that they are looking at the water control design, structure, and even SWFWMD's participation in this issue. Mr. Peters stated that he was simply trying to reassure Ms. Smith that the work was in progress.

Ms. Dwyer made the suggestion to put CDD updates in the homeowners' monthly newsletter so that they can have an idea about what work is being done in the community. Mr. Murray said that he can give a list of ten items that are currently being worked on in the community and what the status is for them. He stated that they can publish it in the newsletter or he can bring copies of the updates to the monthly meetings as handouts.

ELEVENTH ORDER OF BUSINESS

District Counsel's Report

Mr. Straley stated that he was standing in for Tracy Robin, who was out of town. He had three items to review with the Board.

The first item he discussed was issues concerning Citizens' Advisory Committees that the Board may elect to appoint, and District Counsel has made minor revisions to a draft policy about Citizen Advisory Committees, provided by the District Manager. He handed out the draft copy of the policy to the Board and Staff, which was highlighted for the Board's review. He stated that if the Board had any questions regarding the policy, he would be glad to answer them.

Mr. Murray asked what changes were made. Mr. Straley stated that should the Board decide to appoint citizens to the Advisory Committees to work with a supervisor and it is a formal Board-appointed committee, these committees and their meetings are subject to the Florida Sunshine Amendment. Ms. Dwyer asked if the meetings needed to be publicized in the paper, during the CDD meetings, etc. Mr. Straley stated that while publication of their meetings in a newspaper is not necessary, the posting of a meeting in a newsletter or a bulletin board would be open to the public. There was a discussion on the topic of reasonable notice of meetings.

Mr. Hanzel asked if there were any guidelines that were already in place that would make what the Board is trying to do unnecessary. Mr. Straley stated that there are Attorney General's opinions and court cases that deal with this issue, but it is time-consuming to go through all of those items and figure out requirements. He elaborated on this topic further. There was a discussion on this topic.

On a Motion by Ms. Dwyer, seconded by Mr. Murray, with a 2 to 2 vote (stalemate), the Board of Supervisors did not approve the Guidelines for the Advisory Committees for the Lexington Oaks Community Development District.

Mr. Murray asked, if by reaching this stalemate, if there could not be any advisory committees or if the policy is based on committees currently in place or ones that will be put into place, will not follow these guidelines, as directed by law. Mr. Hanzel stated that, in his opinion, that these guidelines are already in place within the Board of Statutes. which dictate what the Board Supervisors can and cannot do, and the Attorney General's opinions offered through the years regarding committees for governmental agencies. Mr. Straley stated that this policy, the legal aspects of it, is intended to address points that are required by Florida law, such as the notice requirements. Ms. Dwyer asked if that meant that there would not need to be any publication of the advisory committee meetings for the public to attend. Mr. Murray stated that this isn't what was meant by that statement. He stated that he wouldn't be comfortable with it if District Counsel wasn't comfortable with that statement. He stated that while he understood what Mr. Hanzel was saying about precedents for this matter, the Board should defer to District Counsel in this, regarding what committees can and cannot do. Mr. Straley agreed.

Mr. Peters pointed out that this was not workable. He pointed out that, in the case of Mr. Murray working diligently to rectify the pond problems with Mr. Piercefield, Mr. Barr, and others involved with it, why wouldn't it be the same as working out the problems with the gates, the golf course, etc. Mr. Murray stated that if he had regular formal meetings with the involved parties, and took the information and shared it with the Board, then, to him, that would constitute a committee that would need to fall into those guidelines. He stated that if it were more of an ad hoc meeting, where he would receive a phone call to come out and look at a problem within the District, and he asked Mr. Piercefield to accompany him for an expert opinion, then to him, that would not constitute a formal committee. Mr. Peters asked if in response to Ms. Smith's comment about the whole pond system needing to be looked at, if Mr. Murray said that he was going to look at it again and take Mr. Piercefield, King Engineering and Kearney Construction with him, wouldn't that constitute a committee? Mr. Straley stated that it wouldn't, because that would be an instance where it would be a meeting with professionals on a fact-finding undertaking that isn't what the Legislature had in mind when talking about advisory committees. There was further discussion on this topic.

Mr. Straley went on to the second item. As he understood it, there were some questions raised about potential personal liability of Board supervisors, with respect to actions they might take as supervisors, and whether there would be a situation where a Supervisor would be held personally liable. Mr. Straley stated that there would not be one. He stated that the supervisors have immunity, and the District has sovereign immunity. He stated that, in addition to this immunity, the District maintains public official liability insurance which protects individual supervisors in the event that they would be sued. Mr. Straley also stated that he has a copy that was given to him from the District Manager, which he hasn't had a chance to review and confirm yet, but he believed that the policy also includes that the insurance company will pay the defendant individual supervisor in the event that they should be sued. He elaborated further on this topic.

Mr. Straley went on to the third item. He stated that he has reviewed the proposed contract between the District and Severn Trent, which the Board is interested in engaging as District Manager. He briefly reviewed the contract with the Board regarding terms of engagement. He then stated that District Counsel is fine with the proposed agreement. Mr. Peters asked about the financial reporting being retained by Rizzetta and Company, Inc., and asked if that was included in the agreement and will it affect the price. Mr. Straley asked for clarification on "financial reporting". Mr. Peters stated that it had to do with bond funds. Mr. Straley stated that the agreement does not impact the financial advisory role that Rizzetta and Company, Inc. is providing the District, which is a separate contract and is not affected by this agreement. This agreement is strictly for District Management services, which does include basic accounting work for the District, but does not include the financial advisory work. Mr. Murray stated that the Board would probably need to look at Rizzetta and Company, Inc.'s contract for financial advisory services with the District, before approving the contract with Severn Trent. He stated that if Rizzetta comes back and gives the District a bid they feel is too high or the District feels that they can't reach an equitable agreement for services with Rizzetta, then it will affect the contracts with both Rizzetta and Company, Inc. and Severn Trent.

Mr. Straley stated that companies like Rizzetta and Company, Inc. and Severn Trent structure their relationships with districts and what they normally do is have two separate contracts: a District Management contract and a financial advisory services contract. He stated, from his understanding, that what the District wants to do is to terminate Rizzetta and Company, Inc. as District Manager, and that is one contract. The District then wants to hire Severn Trent to replace them as district manager, and this contract for district management is the one that he has reviewed. That contract has nothing to do with the financial advisory services contract, which is completely separate. He stated that, as it stands, Rizzetta and Company, Inc. would remain as financial advisor to the District, in connection with a possible refunding of the bonds or preparation of assessment rolls. He went on to further state that if the District were dissatisfied with Rizzetta and Company, Inc., they could enter into a separate financial advisory contract with Severn Trent or someone else to provide those services. Mr. Straley concluded that the two contracts are not related. Mr. Brizendine agreed with him, stating that it was his understanding that the district management contract was terminated.

Ms. Dwyer stated that in the last set of meeting minutes, it was requested that Mr. Williams provide a fee structure regarding continuing financial advisory services, and she asked if Mr. Brizendine had that document. Mr. Brizendine stated that he did not, but he has spoken with Bill Rizzetta, who is working on the fee structure, and will contact Mr. Murray once completed. Mr. Murray stated that, if the Board agrees, once Mr. Rizzetta has a completed copy of the financial advisory contract, the Board will take a look at the fee structure.

Mr. Brizendine asked if Mr. Straley had anything else to add to his report. Mr. Straley stated that he did not and asked if there were any other questions. Mr. Murray then asked if the Board was comfortable with two separate contracts with Severn Trent and Rizzetta and Company, Inc., and were there any questions. Mr. Hanzel stated that if Rizzetta already has the financial advisory contract, there would be a line item in the budget to take care of the cost. Severn Trent would not have an item in their budget for the same fees. Mr. Murray stated that there was not, and then asked the Board for a motion to approve the contract. Mr. Peters asked when the contract with Severn Trent takes effect, and in talking to Mr. Robin (District Counsel), Mr. Robin stated that given the District gave the notice to Rizzetta and Company, Inc., that the change would take place in September.

After a brief discussion, Mr. John Racardi, Severn Trent's representative stated that between now and September, he would be working with Mr. Brizendine before the change, and getting up to speed. He stated that, if the contract is not effective until September 22, 2005, technically, as well as from a legal standpoint, he wasn't sure that he would be permitted to take over as District Management. He stated that he would need to speak with Mr. Straley for legal clarification, but from a financial aspect, that would still be in Rizzetta and Company, Inc.'s scope of work and this is a gray area he is not sure about. He stated that it would be better if Rizzetta and Company, Inc. runs the meeting on September 22, 2005, and he attends. On October 1, 2005, he, as Severn Trent's representative will take over. He asked Mr. Brizendine what he felt should be done. Mr. Brizendine stated that he does not have a problem with that, if the Board agrees to it. The Board agreed to the preceding terms.

On a Motion by Mr. Peters, seconded by Mr. Murray, with all in favor, the Board of Supervisors approved the contract with Severn Trent for District Management Services, effective October 1, 2005 for the Lexington Oaks Community Development District.

TWELFTH ORDER OF BUSINESS

**Discussion Regarding Capital
Improvement Survey Workshop**

Mr. Brizendine presented a discussion regarding the Capital Improvement Survey Workshop, which was held on August 18, 2005. He turned the floor over to Mr. Murray. Mr. Murray stated that the Board held a workshop to discuss capital expenditures and how the bond proceeds should be used. His main concern was that the Board has not been on the same page regarding how the proceeds can and cannot be spent, or the timeliness of use for the proceeds. He stated that it was decided by the Board that within the next 9-12 months, the Board needed to identify plans for usage of the \$1.5 million of bond proceeds that are available to the District.

Mr. Murray stated that the Board would have to get approval from Bond Counsel on how to spend the proceeds. He recommended that if they are not spent within that allotted time frame, the bonds needed to be retired, which would result in a very minor reduction in bond assessments to the homeowners, the golf course and the daycare. He also stated that Pulte would receive 40% of the available capital bond proceeds, due to fact that the Series B bonds are funded by Pulte, while Series A bonds were funded by the homeowners. He stated that Pulte fully anticipates the CDD will use all of the available bond proceeds.

Mr. Murray stated that he wanted to make sure that everyone was on the same page, as far as what was happening with the capital bond proceeds. He stated that he wanted to commend Mr. Hanzel for doing a great job in soliciting feedback from the homeowners regarding capital improvements, not only for the available capital bond proceeds, but for future ones as well.

THIRTEENTH ORDER OF BUSINESS

**Consideration of Resolution 2005-08,
Fiscal Year 2005/2006 Meeting Schedule**

Mr. Brizendine presented Resolution 2005-08, consideration of Resolution 2005-08, Fiscal Year 2005/2006 meeting schedule for Lexington Oaks. He stated that the Board is currently meeting on the 4th Thursday of every month, at 8:30 a.m. at the Lexington Oaks Clubhouse. He reminded the Board that Pasco County requires four night meetings per year. He stated that there were two conflicting dates. In November and December, due to the holidays, the Board decided last year to hold the meeting a week earlier. He then read the dates of the meetings: October 27, November 17, December 15 for 2005, and January 26, February 23, March 23, April 27, May 25, June 22, July 27, August 24, and September 28 for 2006.

Ms. Dwyer pointed out that last year the night meetings were in May and July. Mr. Brizendine agreed with her, pointing out that these are usually public hearing meetings relating

to the budget process. He stated the May meeting is usually for the proposed budget, and the July meeting is for the public hearing on the final budget.

After a brief discussion, the Board decided to move the October meeting to October 25th, which is a Tuesday at 8:30 a.m., and the night meetings will be on November 17, 2005, February 23, 2006, May 25, 2006, and July 27, 2006, all starting at 6:30 p.m.

On a Motion by Ms. Dwyer, seconded by Mr. Peters, with all in favor, the Board of Supervisors approved Resolution 2005-08, Fiscal Year 2005/2006 Meeting Schedule, designating the 4th Thursday of every month, at 8:30 a.m., to be held at the Lexington Oaks Clubhouse, located at 26304 Lexington Oaks Boulevard, Wesley Chapel, Florida 33544 for the Lexington Oaks Community Development District.

FOURTEENTH ORDER OF BUSINESS

Staff Reports

A. Field Supervisor/Clubhouse Manager

Mr. Millard stated that, according to his information, the snipe signs that are located at the entrance of Lexington Oaks Boulevard, can be up during the weekends only, and must be removed by Monday morning. He stated that outside companies have come in and put up snipe signs in the community. Ms. Dwyer stated that it is illegal to do so. Mr. Millard recommended the Board make a rule allowing no snipe signs to be put up in the District. Mr. Peters stated that it was a county right-of-way, and County Sign Ordinance 601 states that signs like this are prohibited on the right-of-way, and that code enforcement is in place. He stated that staff could remove them. There was a discussion on this topic. It was decided to review the HOA rules for signs in the District for residents, to formulate rules for the CDD common areas, and to discuss it at the next meeting.

Mr. Hanzel

Mr. Millard stated that he had a request from one of the residents to designate Fridays as "Fried Pizza Night", either once or twice a month. He gave details outlining the event and the costs the CDD would charge for such an event at the clubhouse. After a brief discussion, Mr. Murray stated that at this time, cooking inside of the clubhouse isn't covered in the insurance policy. He stated that, due to this, he doesn't feel comfortable with such an event, but that pizza could be brought in from an outside source, such as Pizza Hut. Mr. Brizendine agreed with him, stating that their insurance agent would have some issues with that as well. Mr. Murray stated that as an alternative, they could speak to Shawn McCormick at the golf course clubhouse and possibly arrange to have the event over there, as they have a kitchen facility.

Mr. Millard stated that he is paying \$50 a page for the newsletter for Lexington Oaks and one of the CDD pages is a calendar. He stated that he can list the CDD calendar events and cut it down to about ½ page. Mr. Hanzel commented that it sounded like a good idea to him, and suggested that Mr. Millard speak to Jack De Marco regarding this. Mr. Millard stated that the residents liked the calendar. Mr. Hanzel stated that he had received comments from other residents who felt \$50 for one calendar page was too much. After a brief discussion, Mr. Murray stated that if the CDD is paying for a full calendar page and the HOA is also using this page to notify residents of their events, then they needed to discount the page for the CDD and contribute to the cost. Otherwise, the CDD can generate their own calendar.

Mr. Millard then moved on to capital improvements. He stated that they ~~will be~~ ^{would like} purchasing new tables and chair for the clubhouse, as well as purchasing a pressure washer. He stated that, if the District purchased the pressure washer as well as the tank that went with it, it would save the District money, by cutting the time down for this type of maintenance using other equipment not suitable for the task. He explained that the last bill for pressure washing was \$3,100, and that by purchasing the equipment, the District could save that money for a year and wouldn't have to hire anyone else to do the job. He handed out paperwork for the pressure washer that he had researched, and asked for feedback from the Board. After a brief discussion, it was decided that Mr. Millard should research the full cost of the pressure washer and the tank, and report back to the Board, since the Board did not foresee any major purchases to be made until around December or January.

Mr. Millard stated that the next item was the explanation regarding the Churchill exit. He stated the holly trees, which are dying, are currently blocking the view of oncoming traffic at Churchill, and he has had complaints from other villages with the same issue. He stated that he has received proposals to move and replace the holly trees with juniper trees at the exit. He stated that he spoke with the landscaping company and they would charge \$920 to do the work. Mr. Murray stated that this should be taken care of immediately and he would like a report on the other intersections where this has happened. Mr. Hanzel stated that he had asked Mr. Millard about someone working on the two high spots on the roundabout, but has yet to hear back from him. Mr. Millard stated that he had contacted the Board concerning this and had sent information to them about the repairs. After a brief discussion, Mr. Hanzel stated that he would like an analysis of all the streets. After more discussion about this topic, Mr. Murray stated, for clarification, that they would take down the holly trees and replace them with juniper trees, and also get an analysis on all the streets with landscaping issues for the Board.

Mr. Millard stated that he has had complaints from the residents regarding the construction silt fences which are not holding the dirt. The dirt is coming up or washing up onto the sidewalk after a rainfall. There was a statement made that the construction company should be fined for not cleaning up the dirt. They have been warned several times and have done nothing about it. Once they receive the first \$5,000 fine, this will no longer be an issue for the District. No Board action was taken at this time.

Mr. Millard stated that the irrigation has had a lot of main line breaks and rotor head breaks in the past two weeks. A representative from Luke Bros. gave a report concerning the break repairs. He stated that Luke Bros. has been out to Lexington Oaks to repair the breaks and they found that there was not enough water going through the water handler, and the problem keeps surfacing. The issue with the rotors are diagnostic problems, worn parts and mechanical failures, which he had informed the Board of in the past. Luke Bros. has been out to do the work, but this was something that was discussed at the last Board meeting. A question was raised about what causes the water handler to cause the main line to break, and the Luke Bros. representative gave an overview of the breakdown of the water handler system. There was an issue raised about residents going out to the well and cutting it off. It was suggested that the District put a lock on the well and give out keys only to those who have been instructed to cut the well on or off. No Board action was taken at this time.

FIFTEENTH ORDER OF BUSINESS

Audience Comments

Mr. Brizendine stated that there were audience members present. Mr. Murray opened the floor to allow the residents to present their questions and or comments. Mr. Bakowski asked the District if they knew who installed the road signs at the road widening project at SR 54. He stated that the signs would block the view for oncoming traffic, causing a major safety issue once the widening is completed. Mr. Peters stated that they have a meeting with Pat Mulieri on September 12, 2005 and they will bring this matter to him.

Ms. Paulis asked about the results of the capital expenditures survey. She wanted to know if they have the results ready for the residents and which items have been decided on. Her concern was with two of them. She stated that her first concern was the gating of the community behind the curb cut. She stated that, from her understanding, if the District puts the gate up, everything behind the gate becomes private property. She wanted to know if she was correct in this understanding, and, if so, does that mean that everything behind the gate becomes the responsibility of the homeowners (i.e. resurface the roads which need to be done very soon, fill the potholes, change the street lights on Lexington Oaks Blvd). Ms. Paulis wanted to know if the District could do this or if someone was against it. She stated that she didn't purchase into the community to take on these items and wanted to know where the District stood on this. She stated her other concern was the purchase of the golf course and this item had the same concern as her first. She asked if the District would purchase this without costing the homeowners.

Mr. Murray stated that the items on the capital expenditures survey are simply ideas and the District Board is not close to a conclusion on any of them. He stated that Mr. Hanzel is still receiving feedback from residents, and once he has completed the survey, he will report the results back to the Board. The Board will, in turn, give the results to the residents. He stated that, with regards to the gate to the community, Ms. Paulis was correct in respect to the privacy, but if the gate was going to be done, they would have Pasco County consent to passage(?), and he wasn't sure how to get that done. He also stated that, as far as the purchase of the golf course was concerned, this was simply an idea and he wasn't sure of the feasibility for it. He stated that it was highly unlikely that the District would purchase it because Pulte still owns the golf course, and they would have to take a closer look at selling it to a CDD. He stated that one thing about most of these items, including the gate, is that they will probably be making a decision on them within the next six months. Ms. Paulis stated that she would like, if at all possible, a commitment from the Board that when they come to a decision about which item they would like to purchase, they would first notify the homeowners of the potential decision and meet with them. They should then give a breakdown of the increase in cost to the homeowners and any potential responsibilities.

Ms. Dwyer asked Mr. Hanzel when he would have a tabulation of the survey ready for the Board's review. Mr. Hanzel replied that the deadline is September 1, 2005, and once completed, he will present the items with the highest results to the Board, for review and for public discussion. He stated that along with some great ideas, he received a comment from a resident, thanking him for giving the residents a chance to give input on what happens in the community. Ms. Paulis asked if the items with the highest "yes" response were selected, would a feasibility cost projection be done. Mr. Hanzel stated that before the Board would do anything, they would first conduct some research on the cost to the District as well to the homeowners. They would then give a write-up to the Board, as well as to the community, and give everyone a chance to be heard. Mr. Murray stated because this process is lengthy, about two months, he proposed having a nightly meeting, so that the community can attend in greater numbers. He stated that they would need to meet before the end of the year to give oral and written reports to the community about some of the ideas they were considering. They would then give an opportunity for the community to respond. There was more discussion on this topic.

Mr. Barr stated that the District needs to look at the costs of the 26 items for pond repairs in regards to the bond money and resident impact. He stated that the common area sprinkler heads on Hawthorne have not been repaired or replaced since June. He also stated that the sprinkler heads at the entrance of Hawthorne are causing water to be pumped out which is spreading mold and algae on the curbs. He stated they need to get someone out there to replace the heads and do the cleanup. Mr. Barr also asked about the sidewalk repairs. He stated that, as he understood it, Mr. Millard would determine which ones needed repair. He also pointed out that the damage to the clubhouse sidewalk was done by the contractors and asked when the subcontractors were going to repair these damages, without the CDD having to pay for it. He commented on the perception of the Board, with adherence to the Sunshine Law, specifically at the last meeting, when the new contract with Severn Trent came up for vote. He felt, as did many of the audience members, that there was no time for audience comments, nor did most of the audience members even know that there was a issue regarding new district management. He

stated that it gave the appearance that most of the decision was done behind closed doors. He felt that the audience deserved some type of explanation or preamble to the decision of new district management.

Mr. Peters responded by saying that he had asked Mr. Murray about having someone look at the whole pond/water control structure. He stated that Mr. Murray had answered by stating that he had someone looking at the 26 pond repair issues and would be taking corrective actions. Mr. Barr stated that there needed to be a bottom line figure or statement as far as costs and scope of work were concerned. Mr. Murray stated that he would be reporting back to the Board regarding the costs of repairs, who would be responsible for the repairs and what the scope of work would entail for the repairs. Mr. Barr asked if there would be notification given to the audience prior to the work being done. Mr. Murray stated that it would. Mr. Murray asked Mr. Millard if he would address the issues with the sprinkler heads and report back to the Board via email. Mr. Murray stated that they have a contractor lined up who will do all the sidewalk repairs at one time. He stated that he wasn't sure that the bond money will be used for that, but that it will be used for CDD areas. He stated that he would have to speak to Bond Counsel and Mr. Piercefield. He stated that the repairs to the sidewalk in front of the golf clubhouse will be their responsibility not the CDDs. He stated that the subcontractor has software that will allow you to take very detailed aerial pictures of the District. You can see which areas need repair, and they can determine, from these pictures, if the area that needs to be repaired is CDD, Pulte or golf course areas. He stated that from the viewpoint of the CDD, before the repairs are made, the District Board will determine and approve what areas need repair, alert the individual parties (i.e. villages, golf course, etc.) of the necessary repairs, and give them a chance to make the repairs. Mr. Murray stated that in regards to the budget workshop and the perception of the Sunshine Laws, the workshop is designed to not take time from the CDD Board meetings to discuss certain issues. It is open to the public and is where the majority of the discussions occurred about the new management company. He stated that they will give brief summaries of what happens during these meetings, as they did today.

An audience member stated that they wanted to commend the Board for giving a brief overview on Pond 101. She stated that it was a great idea, because most people didn't understand what was going on, who owns what pond, and how they relate to each other. Mr. Murray stated that he gets frustrated because he doesn't know, and he himself asked for some explanation during the overview.

Another audience member wanted to commend Mr. Millard on his diligence in maintaining the look of the community center by getting a pressure washer to keep it clean. She asked if there would be a requirement to have a Clubhouse Manager who would have a pickup truck to make sure the equipment would not become obsolete. Mr. Murray stated that, from his standpoint, he wasn't sure about the propane tank, and as far as having the truck, he wouldn't have that answer. It was stated that it can fit onto a 4' x 6' trailer.

Mr. Mulé stated that he had some questions about the safety of the roads. He stated that not every village had stop signs on each corner and this is a safety concern. He also pointed out that most people don't look when they pull out onto Lexington Oaks Blvd. He stated that there

needs to be some type of sign that will get people to look before making that turn. Mr. Mulé also stated that he felt the roundabout was a little dangerous because some drivers will not stay in their lanes.

SIXTEENTH ORDER OF BUSINESS

Supervisor Requests

Mr. Brizendine asked if there were any Supervisor requests. Ms. Dwyer had a question about the contract from Severn Trent. She then gave a brief explanation about the proposal process for the district management contract. Mr. Peters stated that the workshop was advertised in advance. An audience member commented that there was nothing that stated what the meeting was going to be about.

Mr. Hanzel stated to Mr. Millard about the high number of teens in the community and having the clubhouse staff help him. He asked Mr. Millard to establish a teen club at this facility, for ages 12 to 15. He also asked if the District could upgrade the sanitation around the clubhouse. He stated that he noted the item about the pressure washer, but the weeds and the pavers need to be cleaned up, as well as the lounge chairs. He also requested that the District begin the process of obtaining formal bids for establishing a pond maintenance program. He stated that it was one of the points made in the Engineer's report. He stated that no preventive pond maintenance had occurred and there are allocated funds for it in next year's budget. It was asked if Mr. Hanzel could clarify what he wants to bid on. Mr. Hanzel stated that the bid would be for the preventive maintenance process. There was a brief discussion on this topic.

Mr. Peters asked about the pipe coming out near the Mateakas, stating that it had been fixed for about \$7,000. He stated that it is in need of repair again, and wanted to know if the same person would be repairing it. Mr. Murray stated that there will be another person who will come and repair the pipe. He stated that the CDD will not have to pay for that particular repair twice. Mr. Peters also asked about Belmont, stating that a letter from Mr. Piercefield, for the original contract, should be given the chance to be looked at. He stated that, along with the pictures, it sounded like the subcontractor should pay for the cost as well. Mr. Murray stated that Mr. Piercefield would have to give the Board a judgment call on the situation, but that the interim subcontractor is responsible and the District will get some recourse from it. There was a brief discussion and it was decided that Mr. Piercefield should follow up with the situation. Mr. Peters asked if Mr. Murray had someone bidding on all the ponds. Mr. Murray stated that they have a list of 21 items that needed to be done on the ponds. He stated that the Board will evaluate what repairs need to be done first and foremost and then get them done. He stated that there is not a bid on each of the 21 repairs that need to be done and that one of the land supervisors from Pulte will be looking at all 21 repairs. He stated that the majority of the repairs will not be done until after the rainy season. There was further discussion on this topic.

A comment came from the audience, stating they wanted to commend the Board on all their hard work in keeping the community informed. Mr. Brizendine asked if there were any more Supervisor requests. Mr. Peters stated that he was approached by one of the residents to look again into the key situation. He stated that everyone who had a key should return their keys to the clubhouse. A couple of the Activity Chairs needed a key to the building and could

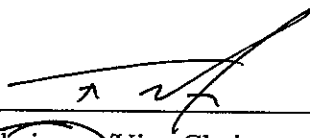
not do their events unless they had one. Mr. Hanzel stated that it can be discussed at next month's meeting.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Hanzel, seconded by Ms. Dwyer, with all in favor, the Board of Supervisors adjourned the meeting at 11:40 a.m. for the Lexington Oaks Community Development District.

Secretary/Assistant Secretary



Chairman/Vice Chairman