

**MINUTES OF MEETING
LEXINGTON OAKS
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Lexington Oaks Community Development District was held on Thursday, October 20, 2011 at 6:30 p.m. at the Lexington Oaks Clubhouse, 26304 Lexington Oaks Boulevard, Wesley Chapel, Florida.

Present and constituting a quorum were:

Fritz Nystrom	Chairman
Don Peters	Vice Chairman
Bob Hendrick	Assistant Secretary
Peter Hanzel	Assistant Secretary
Rick Carroll	Assistant Secretary

Also present were:

Andy Mendenhall	District Manager
John Vericker	District Counsel
Todd Wilhelmi	Site Manager
Brett Sealy	MBS Capital Markets, LLC
Chuck Kelly	Lex-Oaks Golf 54
Dave Creighton	Lex-Oaks Golf 54
Residents	

The following is a summary of the minutes and actions taken at the October 20, 2011 Lexington Oaks Board of Supervisors meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Nystrom called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

Bond Refunding

- Mr. Sealy noted key members and officers of Prager, Sealy & Co. started a new company, MBS Capital Markets, LLC, which is undertaking the business previously done in Florida by Prager.

- In order to protect the Board, District Counsel requested Prager, Sealy & Co. submit a termination letter; a copy of which is attached for the record.

On MOTION by Mr. Hendrick seconded by Mr. Peters with all in favor the resignation of Prager, Sealy & Co. was accepted.

- Mr. Sealy updated the Board on refunding of the Series 2002A Bonds:
 - The annual debt service reduction as a result of the refunding will be approximately 10.87%.
 - A confidential *A Rating* with a stable outlook was received from Standard & Poors.
 - A MLB fee of 1.5%, approximately \$60,000, will be paid from the bond proceeds. The cost of their counsel, approximately \$20,000 to \$25,000, will be paid by MLB.
- Discussion ensued with regard to refunding parameters and reduction of the annual debt service assessment.

On MOTION by Mr. Carroll seconded by Mr. Hanzel with all in favor Resolution 2012-01 in the form presented with an annual debt service assessment reduction of at least 10% was adopted.

The record will reflect Mr. Sealy and Mr. Vericker left the meeting.

THIRD ORDER OF BUSINESS

Audience Comments

- Discussion ensued with regard to the request from Ruth Fatur to teach morning water aerobic classes. Procedures and Insurance requirements were reviewed and Ms. Fatur will forward the appropriate documents to Mr. Wilhelmi.
- John Saari voiced concern with regard to maintenance of the concrete wall behind his house noting only one side of the wall was painted. Mr. Wilhelmi will follow up on this. He also noted his disappointment with the horse statues at the entrance.
- Peter Stark noted the entrance would look better if there were more horse statues.

- Terry Bechtel voiced his disappointment with the horse statues and said they are not up to the standards of Lexington Oaks.
- It was suggested the horses be repositioned.
- Rob Gorham understands the choice of a horse to represent Lexington Oaks and agrees there should be additional horses to complete the picture. He commended the Board for looking *outside the box* and not going with a traditional look.
- Mr. Carroll noted the Board did not vote on a particular horse but on the concept of horses. He suggested at the time a representative see the product prior to purchase. He feels it is a *carousel horse* and not appropriate for the rustic setting of Lexington Oaks.

Mr. Carroll MOVED to remove the horses from the front entrance and to repurpose or sell them.

The prior motion died for lack of a second.

FIFTH ORDER OF BUSINESS

Discussion of Meeting with Dave Creighton Regarding Well, SWFWMD and WUP

- Mr. Creighton and Mr. Kelly were present to discuss the water use permit for the augmentation well to supplement the use of reclaimed water to irrigate the boulevard and the golf course.
- Discussion ensued with regard to the SWFWMD water use permit and the three options associated with the issue as described in a letter sent to SWFWMD from the Manson Law Group, legal counsel representing the CDD; a copy of which is attached for the record. The three options are as follows:
 - Partial transfer of the Lexington Oaks permit - allowing both the Golf Course and the CDD to have separate water use permits by splitting the existing permit.
 - Include the CDD as a co-permittee on the Lexington Oaks permit – as the property owner and a user of the permitted quantities, SWFWMD would include the CDD as a co-permittee with no reduction of permitted quantities at this time.
 - Complete transfer of the Lexington Oaks permit to the CDD – this will remove the Golf Course from the Lexington Oaks permit.

- The Golf Course is in favor of option two which includes the CDD as a co-permittee on the Lexington Oaks permit.
- The main well was recently disconnected from the reclaimed water system by Pasco County.
- Mr. Creighton requested notification when Pasco County is on property since the golf course is in litigation with them.
- It was recommended the CDD wait until Pasco County indicates what the requirements will be prior to making a decision.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the September 15, 2011 Meeting

Each Board member received a copy of the minutes of the September 15, 2011 meeting and corrections were made which will be incorporated in the minutes.

On MOTION by Mr. Hanzel seconded by Mr. Carroll with all in favor minutes of the September 15, 2011 meeting were approved as amended.

SIXTH ORDER OF BUSINESS

Attorney's Report

There not being any, the next item followed.

SEVENTH ORDER OF BUSINESS

Engineer's Report

There not being any, the next item followed.

EIGHTH ORDER OF BUSINESS

Discussion of Employee Pay and Benefits

- Insurance information is being reviewed by Mr. Wilhelmi and Mr. Walters for discussion at the next workshop.

TENTH ORDER OF BUSINESS

Ratification of Purchase of New Carryall Mule

- Ratification of the purchase of the carryall mule was requested.

On MOTION by Mr. Hendrick seconded by Mr. Hanzel with all in favor purchase of the carryall mule was ratified.

ELEVENTH ORDER OF BUSINESS

**Multi Uses of the Meeting Room –
Allowing More Groups to Use It**

- Mr. Hanzel suggested the meeting room be utilized by more groups such as card players, etc. This will free up the front room for additional rental dates and reduce *wear and tear* on the newly decorated area.
- Discussion ensued and it was recommended guidelines be drafted.

TWELFTH ORDER OF BUSINESS

**Review of User Fees in Accordance with
190.035 (Florida Law) Fees and Rentals**

- Discussion ensued with regard to prorating fees for rental of the room and it was noted this violates State Statute 190.035 and cannot be done until a public hearing is held.
- It was recommended a fee not be charged for *resident only* meetings.
- Mr. Hanzel will follow up on multi uses of the meeting room and the user fee items.

THIRTEENTH ORDER OF BUSINESS

**Messages on the Sign on Lexington Oaks
Boulevard**

- It was suggested the outside sign post CDD meetings and community events.
- Discussion ensued with regard to use of the signage and it was suggested a policy be put in writing.

NINTH ORDER OF BUSINESS

Staff Report – Site/Clubhouse Manager

Mr. Wilhelmi addressed the following:

- Lighting proposals for the entrance were received. Discussion ensued and it was noted costs for the other capital projects are needed prior to moving forward with this item.
- Some of the decorator's clubroom proposals require additional information and schematics. It was suggested they redefine their concepts with schematics and bottom line amounts.
- The expected ship date from Miller Recreation for playground material is October 31, 2011.

FORTEENTH ORDER OF BUSINESS

Manager's Report

- There being no report, the next item followed.

FIFTEENTH ORDER OF BUSINESS

Supervisors' Requests and Comments

- Supervisor Hanzel
 - Noted all five supervisors voted and all were in favor of the horses at the entrance.
 - Requested Mr. Wilhelmi or Mr. Nystrom contact the District Engineer requesting he prepare a spec sheet for the fence bids so the concepts are the same.
 - The Metropolitan Planning Committee for the County will hold three meetings in Lexington Oaks. Residents and Board members may be interested in attending these meetings.
- Supervisor Carroll
 - Voiced concern regarding trimming of the trees and suggested obtaining information from the county on how they can assist with this.
 - He will follow-up with the county and bring it back to the Board.
 - Discussion ensued and it was noted this is not CDD property, it is an HOA issue and there is no financial action needed by the Board.
- Supervisor Hendrick
 - Updated the Board on his *going green* research to get the utility bills reduced and received the following suggestions from Planet Green:
 - Install a radiant barrier in the clubhouse to reflect 97% of the heat from the sun back out reducing the load on the system
 - Install two solar power attic fans
 - Install a smart cool unit
 - At no additional charge Planet Green will install a wrap for the water heater with a timer
 - The cost will be \$15,452 and will reduce the energy bill by 35%.
 - Lamp post rental is a huge cost and can be replaced by solar posts.
 - Discussion ensued and Mr. Hendrick will continue to research *going green* and present a business plan to the Board at the December 1st workshop. Planet Green will be invited to attend the workshop to fully explain their proposal.

- Supervisor Peters
 - Clarification on ownership of the trees is needed. Mr. Nystrom will contact District Counsel requesting he define in writing ownership of trees and sidewalks.
 - It was requested a workshop be held to update the Board on the SWFWMD reclaimed water well issue.

- Discussion ensued with regard to District Counsel and other legal firms with CDD experience. It was requested the District Manager supply a list of attorneys for review by the Board.

- Supervisor Nystrom
 - Requested to work with the Sheriff's office and the YMCA to develop a youth program for the teens in the community.
 - A grill for use at the yard sale was purchased and he suggested starting a tradition of holding a social meeting with staff and perhaps a cookout prior to workshops to get to know residents.
 - He received a letter requesting use of the clubhouse for elections this year. Volunteers will be needed to help during the election.

SIXTEENTH ORDER OF BUSINESS

Approval of Financial Statements, Check Registers and Invoices

- The financials for the period ending September 30, 2011 were reviewed.

On MOTION by Mr. Hendrick seconded by Mr. Carroll with all in favor the financials for the period ending September 30, 2011 were accepted.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. Peters seconded by Mr. Nystrom with all in favor the meeting was adjourned.



A. Fritz Nystrom
Chairman