

**MINUTES OF MEETING  
FLOW WAY  
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Directors of the Flow Way Community Development District was held on Thursday, April 18, 2024, at 1:00 P.M. at the Esplanade Golf and Country Club, 8910 Torre Vista Lane, Naples, FL 34119.

**Present and constituting a quorum:**

Zack Stamp	Chairperson
Ron Miller	Vice Chairperson
Bart Bhatla	Assistant Secretary
Martinn Winters	Assistant Secretary
Tom Kleck	Assistant Secretary

**Also present were:**

James P. Ward	District Manager
James Messick	District Engineer
Michael Pawelczyk	District Counsel

**Audience:**

James Boggs  
Jim Haderer  
Lynn Hyduk  
Kathy Howenstine.  
Dave Boguslawski

All residents' names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

**PORTIONS OF THIS MEETING WERE TRANSCRIBED VERBATIM. ALL VERBATIM PORTIONS WERE TRANSCRIBED IN *ITALICS*.**

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Chairperson Stamp called the meeting to order at approximately 1:00 p.m. Roll call was conducted, and all Members of the Board were present, constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comments**

**Public Comments for non-agenda items (Limited to three (3) minutes). Individuals are permitted to speak on items on the agenda during that item and will be announced by the Chairperson.**

Chairperson Stamp reviewed public comment protocols.

**THIRD ORDER OF BUSINESS**

**Consideration of Minutes**

**March 21, 2024 – Regular Meeting Minutes**

There was no audio for this Item.

**On MOTION made by Bart Bhatla, seconded by Tom Kleck, and with all in favor, the March 21, 2024, Regular Meeting Minutes were approved.**

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2024-5**

**Consideration of Resolution 2024-5, a Resolution of the Board of Supervisors Amending the Fiscal Year 2024 Budget, which began on October 1, 2023, and ends on September 30, 2024; Providing a severability clause; providing for conflict and providing an effective date**

This Item was not discussed; no action was taken or needed.

**FIFTH ORDER OF BUSINESS**

**Discussion of Fiscal Year 2025 Budget**

**Discussion of Fiscal Year 2025 Budget**

Mr. Ward indicated this was the second discussion of the Fiscal Year 2025 budget. He noted the budget increased the assessment rates from \$1,679.84 to \$1,895 dollars. He explained this was due to three things: 1) issues with the front fountain monuments and the need to replace the fountain motors; 2) necessary improvements and equipment replacement in the master irrigation pump station; and 3) insurance changes. He explained insurance rates went from \$15,000 dollars up to \$97,300 dollars due to the operating assets removed from the Master HOA being added to the CDD's budget. He stated the FY-2025 budget showed the preserve contribution from the Master HOA which was 50 percent of the estimated costs. He noted the agreement was still not signed and the Master HOA did not provide final approval yet. He explained if this were not obtained by the next meeting, the budget would have to move forward without the Master HOA contribution.

Chairperson Stamp noted the CDD had signed off on the agreement with the Master HOA, and he believed the Master HOA had everything ready to be signed, it simply had not been executed yet. He indicated included in the Board packet was a memo available to the public about the budget increase and assessment increase and what would have to happen if the assessment rate was not increased. He noted the Budget could be reduced a little here and a little there with the removal of contingencies, but this became dangerous as the CDD would need to use reserves and then would only be one disaster, one hurricane, away from being unable to function. He noted the potential reduced budget was also included in the memo.

Mr. Ron Miller asked if there was a priority list of items which the CDD needed to spend money on.

Chairperson Stamp stated the priority list was the budget.

Mr. Miller asked if there were line items of things on the budget.

Mr. Ward explained the budget was a line item list in great detail. He explained Chairperson Stamp asked for the budget to be reviewed to see what could be cut. He stated he did this in the context of not reducing services to the community. *The way that we do this is we take out the amounts of money that we have in this budget for our overall contingencies and reserves which is \$140,000 dollars, we take out the cash addition that was in the budget of \$54,000 dollars and then essentially I removed any part of the contingency line items in the budget to get to a point where you could keep the assessment rate what it is today, but this includes keeping the \$125,000 dollars in there for the preserve master HOA contribution. What it does not do is, it does not reduce services to the community. The danger of this is, you take out almost \$200,000 dollars for our cash balances, and I have no contingencies whatsoever to meet the operating requirements in case something happens this year which I can tell you in the last three years, we have had a lot of that. So, that's the danger of taking this out.*

*Mr. Bhatla: I think we need to be (indecipherable). I think it's crazy to go back to the stakeholders every year and ask for small increases. I think it is not good management. We need a good, reasonable reserve, to justify it. I think we should make a reasonable increase, so we don't have to go back again.*

*Mr. Martinn Winters: I would like to cut our assessments as well, but it seems to me the prudent thing to do is build up some kind of reserve, some kind of cushion in case we have an adverse circumstance, so we don't have to go borrow money. We found ourselves in that position last year. It was uncomfortable for everyone. I personally would rather have a few hundred thousand.*

*Mr. Miller: Taylor Morrison left the CDD in the lurch, forcing the CDD to go out and borrow \$500,000 dollars just to meet its obligations. We did that and we have now paid back that \$500,000 dollars, so we have some ground to stand on now. But in order to accomplish what has been done the last couple of years, we have had to hammer the residents pretty hard with fee increases and I was hoping this year we could be somewhat benign on that, and perhaps that's possible and perhaps that's not. When I took a look at the budget presented last month, I would say the budget had integrity, but I am still somewhat persuaded to try to mitigate that. I liked the idea of going in with a scalpel and shaving \$2,000 dollars here and \$3,000 dollars there, but I did not do that, so I looked at the big picture and two things seemed to be opportunistic. One is the \$125,000 dollar preserve co-permittee fee that we share with the Master HOA. I am troubled the Master HOA has not signed this. This has been going on for months and the HOA is the co-permittee. Why won't they sign the darn agreement and let us put this in the budget? That's \$125,000 dollars. That's a big step forward in mitigating the increase in the fee. The second item that jumped off the page at me is that he would like to see the CDD eventually build up a reserve of \$1 million dollars. In his experience he thinks this is a good number and we should eventually get there so we don't have a blow out from something, and I think that's a good idea. In this particular budget in order to mitigate the increase in fee I'm thinking we need to find ways to save \$280,000 dollars. \$125,000 of that is getting the co-permittee fee back into this budget and that would mean that we have to find additional money to get to the \$280,000 dollars savings. The only big picture way I see of doing that is that Jim and Zack have put in an increase in the reserve amount to get us to the \$1 million dollars, but we could reduce the increase in that by \$155,000 dollars which would get us to a reserve amount of \$500,000 dollars, so it would reduce the increase, but it would not eliminate the increase.*

*Mr. Ward: The overall total cash that I see us going into the end of this year is roughly \$310,000 dollars, total cash. I already went and divvied up the pie and this is the total number. From my perspective this is woefully inadequate for a CDD that has a \$2.2 million dollar budget a year. Clearly, I understand the desire to keep assessment levels at the same level, but to do this you have to take \$200,000 dollars out of this budget and that only comes from the little bit of reserves and the little bit of extra cash that we have. Our calculation after adding back the amount of money that the HOA will hopefully contribute to us, the total dollar reduction is a little over \$205,000 dollars; the only way to get to that number is by reducing your reserves, reducing your cash reserves and losing your contingencies. This gets you to your current assessment, doesn't affect your level of service, but it took out all contingencies. This means if anything goes wrong during FY 2025, there is not a lot of play.*

*Mr. Bhatla: How much was spent on the financing this past year? How much did it cost us in fees?*

*Mr. Ward: It cost about \$25,000 dollars.*

*Mr. Bhatla: What is driving this that we have to reduce the budget by \$200,000 dollars?*

*Chairperson Stamp: You can always reduce a budget, but there is a price to be paid to do that and I want people to understand what that price is. If you want to reduce the levels of the reserves and not fund contingencies, we might be fine, but if a hurricane blows the roof off the pumphouse or something, we won't be able to do anything about it for a year. We've got a billion dollars' worth of housing, so do we want to take that risk, or do we want to have something there? Yeah, we could turn it into the insurance, and eventually we might get our money, but is that going to happen? How prudent is it? I think we should just bite the bullet. We don't have to do the sign replacements, that would save everyone \$10. We don't have to do water testing; we have more water testing than is required by the state because we think it's the right thing to do, and we could leave that out and save another \$10. I mean there is nickel and dime stuff we can do. I personally think we should bite the bullet, raise it. I think the Master HOA is going to sign the agreement, but I think we should raise the assessment \$200 dollars, bite the bullet, and raise the reserve. In a normal situation the pumps and well would be capital expenditures but we don't have the ability to do this, so we have to do it on a cash flow basis. Every year we turn over a rock and something bad runs out from underneath it, but if it doesn't, next year we could be talking about either a substantial cut or having a reserve which is \$600,000 or \$700,000 dollars.*

Mr. Bhatla stated he felt it was important to be prudent and build the reserves.

*Mr. \_\_\_\_\_ 21:54: There are things in the budget which are not live or die items, painting the bridge for example. The bridge looks fine. It's not the color it's supposed to be, but we could go on living without a different bridge color. The other thing is, holiday decorations, are we responsible for this?*

*Mr. Ward: Yes.*

*Mr. \_\_\_\_\_: Are we also responsible for the gatehouse?*

*Mr. Ward: No.*

*Mr. \_\_\_\_\_: Because the post lights on the gatehouse look awful.*

*Mr. Ward: That is not our responsibility. I will tell you, for your information, I know we are focused on the color of the bridge, but the bridge is in the current year to do it, not fiscal year 2025. I know we talked about it, but it's already been approved. We are going to do it in the next three or four weeks. So, it is not in the upcoming budget.*

*Mr. Miller: If we were to reduce the budget by taking out some of the reserve money, is my thought correct that we would still be increasing the reserve but just a lesser increase, or would that actually decrease the reserve that we have?*

*Mr. Ward: It does not add to it. It keeps it kind of consistent which is only about \$340,000 dollars.*

Chairperson Stamp asked what the Board would like to see happen with the Budget.

*Mr. Ward: The difficulty of this budget as a manager is, I need to present a budget to you that I think reasonably represents financially where we need to go for FY 2025. The decision to take something out of the budget is not mine, and I don't normally recommend it. What Zack asked me was how can we do this that's somewhat reasonable without affecting service levels for the CDD. That's what the analysis was that I prepared for Zack to show you. The hard part about it is \$82,000 dollars of this is a contingency line item on a \$2.2 million dollar budget. That's a little worrisome to me, that we don't have the ability to do that. During the year, if we don't want to do water quality testing, it's not a huge issue, but at the end of the day it's a nickel and dime thing. The big problem is, this is a \$200,000 dollar problem. The drivers of that really are your reserves and cash and some contingency line items that will not affect operations.*

*Chairperson Stamp: We could just not do lake bank restorations next year. We could skip a year. That's \$60,000 dollars. I don't want to do that, but that's the kind of decision you need to make.*

*Mr. Miller: This budget includes the continuation of that five year plan. It includes the pump issue at the fountains at the front gate because those are going to fail. I want all of that to go forward. I was thinking about something apart from that.*

*Chairperson Stamp: We can. We can drive the reserves down to what Jim advises is a dangerous level and roll the dice. He reiterated what would have to change or be removed from the budget to keep the assessment rates the same. He asked the Board what it would like to do.*

Mr. Bhatla discussed the need to maintain the environmental permit and the preserves.

*Mr. Dave Boguslawski: Regarding the HOA approval. By the way, for background information, where we got balled up was the cost sharing was changed to cost sharing and maintenance and we went back and forth on that several times. So, when do you need the approval to get it at the right place in your budget?*

*Mr. Ward: The Board has to approve the budget at the next meeting, so within the next 14 to 20 days would be appropriate.*

*Mr. Boguslawski: Our next Board meeting is May 6.*

*Mr. Ward: That works.*

*Mr. Boguslawski: Okay. We will make it happen. I'm speaking as though I know what six other people are going to do but –*

*Chairperson Stamp: That keeps the increase to \$170 or \$200 dollars, so I think we bite the bullet, do the assessment increase. I'm not comfortable playing around with the reserves and the contingencies. We've seen too many things go south on us here.*

*Mr. Bhatla: I would like to make a motion to have a line item created with the objective to achieve \$1 million dollars in five years with a reserve amount of \$100,000 dollars per year for the next three years, and then hopefully if the monitoring is successful of the reserves, we will then be able to add more to the reserves.*

*Mr. Miller: Is the motion to keep the budget as it is and then add another \$100,000 dollars for reserves? Or is it to go back and add \$100,000 dollars to the increase of the reserves? If that's the case it would actually be a decrease in the amount of the reserves.*

*Chairperson Stamp: Because we are supposed to put \$130,000 dollars so you would be cutting the budget as it was presented.*

*Mr. Bhatla: The motion is to create a budget, after the budget is created, have a line item of \$100,000 dollars for reserve.*

*Chairperson Stamp: The budget as presented has \$140,000 dollars for reserve, so you would actually be cutting it. Plus, if we vote on all these things as line items next month it will get complicated.*

*Mr. Ward: If you tell me at this point just to change it to \$100,000 dollars you are going to get it back next month with a minor reduction in the assessment level, but that is all it does.*

*Mr. Bhatla: I am not suggesting a reduction of any kind.*

*Chairperson Stamp: Are you suggesting the implementation of a plan of doing at least \$100,000 dollars a year after this budget?*

*Mr. Bhatla: Yes.*

*Chairperson Stamp: We don't need a motion for that.*

*Mr. Ward: We have to be in a position to approve the budget next month for public hearing purposes. If the rate is going to go over your existing rate, which at this point it looks like you're telling me yes, that is going to set off the mailed notice procedure to the residents. You can always go down from that, but you cannot go over. You have to make a decision next month on what you would like to do. I would like some direction this month on what you want me to do. If there is some thought to increasing the budget, what I might suggest to you is we leave the \$140,000 in the reserves, we leave the contingencies, and I just drop the \$54,000. It still raises the budget, but the most minimal impact we could have is on the cash level, and it is only \$54,000 dollars, so to me it doesn't break the bank but it gives us what we need to operate on with a minimal amount of contingencies and we can continue to*

*build on that and as you get closer to finishing the preserve success criteria, we can increase the reserves and that \$250,000 dollars a year will hopefully drop to under \$50,000 dollars a year.*

*Chairperson Stamp: And the pumps will not be a reoccurring cost, the pumphouse will not be a reoccurring cost, but the insurance will be. That will give us some headroom to either bring down the assessment or we can put it all in reserves to get us closer to \$1 million dollars.*

*Mr. Ward: What we haven't done in this District is these larger assets, the pump station, the front fountains specifically. Those are millions of dollars in assets. What we don't have in this budget at all is a program to reserve monies for the restoration of those. That's why this number is so high this year. It's never been in our budget for obvious reasons, and in two years we are going to need to start to address that issue in how much do we want to put aside to deal with the restoration. I don't care about the exterior. It's the interior of these facilities that are huge dollars. Your irrigation system alone is over \$1 million dollars in pumps and wells. That's a lot of money, and your fountains are closer to \$300,000 dollars or more, just in the internal workings.*

*Mr. Miller: Based upon your comments, am I hearing that with respect to the preliminary budget we had at the last meeting we are now at the point where we believe we can throw in the \$125,000 dollars from the co-permittee HOA and reduce some cash by \$54,000 dollars?*

*Mr. Ward: Correct.*

*Chairperson Stamp: If we do no other cuts and we do the three things we think we have to do, we are talking about \$179 dollar increase to the assessment. Then the question becomes do we just say \$200 dollars and add the extra to reserves or do we just say – and again we can cut signs, we can cut water testing, we can cut lots of little things, and I don't know if Tom wants to cut the Christmas decorations.*

Discussion ensued regarding Christmas decorations; the Christmas decorations would not be cut from the budget.

*Chairperson Stamp: I think the consensus is the assessment is going to go up.*

*Mr. Ward: Got it.*

## **SIXTH ORDER OF BUSINESS**

### **Consideration of Proposals**

#### **Consideration of Proposals to provide Audit Services to the District for the Fiscal Years 2024-2028**

*Mr. Ward: The District is required to bid auditing services on a periodic basis. We are required to evaluate those proposals and then rank them based upon a number of elements. We received two proposals, one from Grau and Associates, as well as Berger, Toombs. In the proposals was a ranking form that my staff filled out for you. The price turned out to be Grau at \$27,000 dollars for a five year period and Berger comes in at \$27,500 dollars over that period of time. In the world that I live in these days, these audits are particularly complex. These are the only two firms who seem to bid on these in all of the CDDs that I do. Six years ago, we used to get five or six different proposals, but the numbers have come down so much that these two are the only two that seem to be left in the business. My team ranked Grau number 1 with 30 technical points, and 5 points for pricing, and the Berger firm with 28*

*points and 4 points for pricing. So, the number 1 ranked firm was Grau and Associates. This is the auditor you currently have. You may accept the ranking of my team or discuss and change the ranking as you deem appropriate.*

Discussion ensued regarding the two firms; the Board decided to move forward with the ranking as proposed.

**On MOTION made by Ron Miller, seconded by Martinn Winters, and with all in favor, Grau and Associates was ranked number one and Berger Toombs was ranked number two.**

## SEVENTH ORDER OF BUSINESS

### Staff Items

- I. District General Counsel - Billing, Cochran, Lyles, Mauro & Ramsey, P.A.
  - a. Ethics Training Memo
  - b. Easement Request for CDD Property
  - c. Agreement with Master HOA for Preserve Maintenance

Mr. Michael Pawelczyk recommended the Board move to authorize acceptance of the ranking of the auditors and authorize the District to enter into an engagement letter with Grau and Associates.

**On MOTION made by Ron Miller, seconded by Tom Kleck, and with all in favor, the District was authorized to enter into an engagement letter with Grau and Associates.**

Mr. Pawelczyk asked about Item 4, Resolution 2024-5.

Mr. Ward indicated he skipped Item 4, Resolution 2024-5, on purpose.

Mr. Pawelczyk stated in regard to the easement request for CDD property he had done everything he could do on his end to move this item and he was unsure what the delay was. He stated it was simply a matter of waiting for the HOA to vote and sign off on the documents. He noted the ethics memo was presented at the prior meeting and was included on today's Agenda as a reminder. He asked if anyone on the Board had completed the Ethics Training.

Chairperson Stamp indicated Mr. Bhatla completed the Ethics Training.

Mr. Pawelczyk stated the training he liked best in the memo was the State Mandated Continuing Education and Ethics, at the top of page 2, and he recommended the Board do this training as it was relatively interesting and well done. He noted the training needed to be completed before the end of 2024. He noted the Form 1 needed to be completed electronically by July 1, 2024 and the instructions were included in the memo.

Mr. Bhatla indicated he completed the Form 1, but has not heard back from the State regarding approval.



Mr. Ward explained the Ethics Commission did not approve or reject the Form 1; filing a Form 1 was a personal requirement of the members of the board.

Mr. Pawelczyk noted it took some time to register on the website. He noted he and Mr. Ward typically checked to make sure the forms were submitted before July 1, and if it was missing, he would let Mr. Bhatla know.

## **II. District Engineer – Calvin, Giordano & Associates**

### **a. Engineer's Report**

#### **1. Strategic Operational Plan**

##### **1) Current Operations**

- i. Landscape Maintenance**
- ii. Lake Maintenance**
- iii. Irrigation Pump House**
- iv. Entrance Maintenance**
- v. External Preserves Compliance**

##### **2) Capital Projects Plan**

- i. Lake Bank Restoration**
- ii. Bridge Painting**

##### **3) Future Operations Plan**

##### **4) Prior Board Inquiries**

Mr. Jimmy Messick reported current operations with landscaping continued with trimming at the front entrance, dwarf bougainvillea and grasses were being added to the berm behind the entrance fountains, annuals were being sprayed for weeds, buttonwoods were being replaced and the Bermuda grass cutting would begin shortly. He reported lake maintenance continued with spraying for shoreline weeds, the Flow Way canal received treatments for spatterdock growth, the first round of sonar treatment was beginning, a quarterly inspection would be done in May, and the bridge was scheduled to be painted mid-May. He reported the entrance maintenance continued with the electrical problems with the fountains, the east fountain was off and going through a rebuild, and the annuals were being fertilized monthly around the front entrance. He stated nothing was happening with the pump house. He reported in regard to the external preserves, Aquatic Weed Control was awarded the 2024 preserve maintenance project, the contract was executed, a pre-con meeting was held, and work began this week. He reported lake bank restoration continued. He discussed which lakes were underway and which were almost completed. He reported the fence company was installing 960 feet of 4.5 foot four-strand barbed wire fence in the preserves in response to the Sheriff's office concern with safety and trespassing incidents.

Mr. Ward asked about the discussions with the Quarry CDD on fencing.

Mr. Messick stated he received a response from the Quarry CDD. He noted the Quarry CDD reached out about replacing a fence within the Quarry's property which would stop trespassers from continuing on Collier Blvd into the preserve area. He explained Flow Way abutted the Quarry property and there was no objection to the Quarry placing a fence. He stated the Quarry was responsive and informative.

Chairperson Stamp asked if the fence would make it more likely trespassers would trespass on Flow Way preserve property.

Mr. Messick responded he felt it would discourage trespassers on either property, but if the fence stopped and trespassers could walk around the fence through the Flow Way property to get into the Quarry property, perhaps it would bring more trespassers onto the Flow Way property, but it was impossible to know.

Chairperson Stamp asked about the profile of a typical trespasser.

Mr. Ward stated he knew from the Sheriff's office trespassers were typically partiers or berry pickers.

Discussion ensued regarding how trespassers were getting onto the Flow Way preserve property.

Ms. Lynn Hyduk: asked about trespassers fishing on Flow Way property. She discussed the difficulty in identifying trespassers as opposed to residents who were fishing, and the ease in which trespassers could access Flow Way property to fish.

Mr. Ward explained in the Flow Way Community boats legally could be banned from the lakes by the community, fishing however was another story. He explained a property owner could prevent someone from fishing on their property through the trespass laws. He stated with his HOAs, all went after boating in the lakes, some went after fishing in the lakes, and many had no problem with residents fishing in the lakes. He explained CDDs generally stayed out of regulating private individual's actions; the CDD had no authority to prevent an individual from fishing in a lake.

Chairperson Stamp agreed.

Mr. Ward explained the trespass laws. He noted the CDD placed no trespassing signs around the preserves which gave the Sheriff's office the right to police the preserves and remove trespassers. He stated any property owner could do the same thing, but a no trespassing sign had to be posted every 500 feet around the area in which trespassers were not allowed. He explained the lake would need no trespassing or no fishing signs all around the lake to enable this to be enforced.

Mr. Martinn Winters discussed the difficulty with trespassers fishing along the canal and then hopping over onto Flow Way property. He recommended putting up some fencing to prevent access to Flow Way property, perhaps with cameras.

Discussion ensued regarding the fencing around Flow Way; areas where the fence was down and needed repair; trespassers fishing; teenage trespassers; and the dangers of the lakes including alligators.

### **III. District Manager – JPWard & Associates, LLC**

- a. Florida Law Changes to Form 1 Filings**
- b. Important Board Meeting Dates for Balance of Fiscal Year 2024**
  - 1) Candidate Qualifying period: June 10 through June 14, 2024 (Seats 3 & 4)**
- c. Financial Statements for period ending March 31, 2024 (unaudited)**

Mr. Ward had no report.

Chairperson Stamp indicated if any residents wished to run for the CDD Board, June 10<sup>th</sup> through June 14<sup>th</sup> was the qualifying period during which candidates could file to run for the Board.

## **EIGHTH ORDER OF BUSINESS**

### **Supervisor's Requests**

*Mr. Tom Kleck: I had a call from one of the members asking about using CDD land to add parking and some other things.*

*Mr. Boggs: The question is, is it possible to swap that land with the HOA (indecipherable) used for the pickle ball courts, and the land we can't use for the pickle ball courts, what if we made that CDD land and swap the land?*

Discussion ensued regarding the pickle ball courts, and whether the HOA and CDD could trade property for parking lot and pickle ball court use. Much of this conversation was (indecipherable).

*Mr. Ward: The underlying fee title to all of the land is in the HOA's name; the district has an easement over top of it for purposes of maintaining the preserves, operating and maintaining the water management system, all of the lakes and those types of things, so we don't call it a land swap, we just exchange easements. It's kind of easy. If you want to make it another lake, however much that's going to cost and the permitting associated with that, if you take it out of the lakes, you have to take it out of the lakes in the community. If you want to take the preserves, the cost of that is generally inordinately expensive, so you have to mitigate what is really jurisdictional wetlands at both the Corps and South Florida Water Management District level, and amend that permit which is complicated and expensive, and put wetlands out there that are equal to or better than the wetlands that we already have ownership to. Those wetlands area some of the best in this entire state for purposes of regulatory purposes and I think it would be very expensive to do what you want to do.*

*Mr. Winters: (Indecipherable).*

*Mr. Ward: There is no shortcut way to do this. Martinn probably has better numbers than I do.*

*Mr. Winters: I don't have numbers but we drilled into it to see what the process would be and I presented it to the HOA board as an option that we could work together on, and step one is you hire an architect to do a concept plan in partnership with the engineer who has experience with South Florida Water Management District to come up with a concept plan where would the land best be taken out of the reserve and then go to South Florida Water Management District and say here is what we want to do, tell us what hoops we have to jump through in order to do it. So, step one would be to do the concept plan. That will cost \$20,000 to \$30,000 dollars and it would take maybe a month. Then you present this to South Florida Water Management District and then come away from the meeting with some understanding as to whether or not they are going to work with us. The second step would be hiring an engineering firm to find out what would have to be done to mitigate the drainage in the area because this would indirectly affect the drainage through the entire system, and that is an expense of a 6 month study you got to do and then go back to South Florida Water Management District and get them to bless your plan, and then you can figure out what it will cost to bring in the bulldozers.*

Mr. \_\_\_\_\_ 9:10: (Indecipherable).

Discussion ensued regarding whether to move forward with step one to see if South Florida Water Management District would approve any changes to the preserves, the possibility of purchasing additional land elsewhere, and whether there was any other available land in the Flow Way district which could be used.

Chairperson Stamp asked whether a portion of the wetlands could be traded for a promise to put in more wetlands.

Mr. Messick responded in the negative; SFWMD would not trust the District to promise to put in more wetlands, wetlands would have to be created immediately and be approved by SFWMD. *Just to clarify, you would pay a wetland bank to develop wetlands. You can't build wetlands on your own land.*

*Mr. Pawelczyk: It would be the mitigation bank like in the center of the state. They call it the hole in the donut or something. You just basically spend money, pay somebody else, to have mitigation lands off site. I think your challenge is going to be that these are really good wetlands that you're trying to fill in and pave over.*

*Mr. Bhatla: More important than the cost is going to be the time period. If it is two years to get approval, I don't know if you want to pursue that.*

Discussion continued regarding the options; the CDD needing to be involved but this not being the CDD's initiative. Much of this discussion was (indecipherable).

Mr. Miller congratulated Mr. Winters on his HOA Board election. He asked Mr. Winters to continue on with the CDD Board and be a liaison between the HOA and CDD Board. He stated he did not see any conflict of interest. He discussed the ways in which he felt it would be helpful to have Mr. Winters serve on both the HOA and CDD Boards. He discussed the possibility of sharing insurance policies.

*Chairperson Stamp: Jim has tried to reach out to (indecipherable), and he hasn't returned the phone call.*

*Mr. Ward: I will try again.*

Mr. Miller discussed the possibility of shared landscaping, noting perhaps Mr. Winters could be the liaison between the boards to discuss these possibilities.

Mr. Winters stated he was told there might be some conflicts which might put him in an awkward situation, so he had agreed to leave the CDD Board originally, but hearing the CDD Board wished him to stay, he personally did not see there being any conflict of interest given both Boards worked for the same residents and were on the same team. He stated he believed any conflicts of interest could be resolved by recusing himself from a vote when necessary. He indicated he would give it some time before he made a decision regarding whether he should resign from the CDD, or perhaps he would serve out his term and then not run for reelection.

Mr. Bhatla indicated on the Ethics Training website there was a group of advisors Mr. Winters could speak to regarding whether he could or should serve on both boards.

Mr. Pawelczyk noted Mr. Winters could also contact himself to discuss the matter.

Chairperson Stamp indicated he did not have an opinion one way or another; Mr. Winters was welcome to stay or resign as he saw fit.

Mr. Haderer asked if Mr. Ward ever had a situation in which insurance companies insured both the HOA and the CDD.

Mr. Ward responded no, because the District was a governmental agency and the HOA was a private corporation, so legally the insurance carriers never permitted a governmental agency and a private corporation to use the same policy; separate policies were necessary. He stated this did not mean synergies could not happen by contacting the same agent that the HOA used, and this could be attempted, but in his world, the governmental world, the carriers that covered governments in Florida were pretty limited. He noted he believed the HOA was with State Farm, and State Farm was not a governmental carrier, but it would not hurt if he reached out to the HOA's agent and saw if there were other companies which might write for a governmental agency.

Mr. \_\_\_\_ 24:00: (Indecipherable) same residents (indecipherable).

Mr. Ward agreed. He stated he has used this with insurance companies, but it did not make an impact.

*Mr. Miller: it occurred to me that with respect to the golf course improvements, the golf members have spoken, they have approved it, but the HOA is somewhat hesitant in that two-thirds of all 1,184 members must approve the funding, so that's the way it went and (indecipherable). The golf course improvements passed, but there is no funding. Well, thinking that the golf course improvements are essentially would eventually get done somehow and someday. The CDD understands first of all that there is only one populace, the residents, with respect to the golf course range expansion, I'm not talking about the entire range improvement but with respect to the expansion, digging holes and making messes etc. That's going to need our approval, that's fine, but the CDD actually has the authority to do recreational facilities. The CDD could build the range expansion and take that off the plate of the HOA. Is that something the CDD might want to consider? We would have to assess the residents no differently that the HOA would have to, but maybe there is something we could do to be helpful to the community.*

*Mr. Kleck: With my previous experience as a board member, I thought that we could only do things like erosion repair, issues that aren't specifically used by or adding athletic facilities to our facility.*

*Mr. Ward: That's not true. You have a pretty varied infrastructure that is authorized by statute that you can do. You could build a tennis court if you wanted to. The key issue is that when you build these above ground infrastructure projects, they tend to raise the level of people who can come in and use them because they are owned by a governmental agency. A good example here in Flow Way is that is the reason the path around the preserves was not put in the CDD's name because then it couldn't be limited to just use by the Esplanade residents, it would have to be available to everybody outside. These minor preserve bridges over the preserve areas and such are easy to do but I would not recommend you start building pickleball courts or anything like that. You have the authority to do it, but I would not recommend it under any circumstance.*

*Chairperson Stamp: So, that would have to be a public play driving range.*

*Mr. Pawelczyk: It could be public with a fee.*

*Mr. Ward: If it's financed for public use with tax exempt municipal bonds, the IRS tells us that yes, everybody can go in and use the facility. If it's financed just by the CDD with operational funds, there are limited access rights including fee based programs you can use for tennis courts or bocci ball courts for people outside of the community. I do not have any CDDs and have not had a CDD that does this kind of thing for more than 20 years for that reason. You have gated communities for a reason.*

Audio cut out here for a few moments.

*Mr. Miller: -- we can get it done. We are going to pay for it either way. It's the same residents, so the CDD can get the ball rolling and do that one aspect of it. If doing this causes us to become a public facility, that's a nonstarter.*

*Mr. Ward: The issue you raised is a nonissue to me with respect to outside interest or fees of that nature. Tom mentioned a court of some kind. That raises the issue. A boardwalk in the middle of a preserve or something is not an issue.*

*Chairperson Stamp: Do you have a cost estimate?*

*Mr. Miller: In this respect we have a huge advantage over the HOA, we have Jimmy, and they don't. Jimmy is wired into the vendors and can give us a cost estimate.*

*Mr. \_\_\_\_\_1:33: (Indecipherable).*

*Mr. Miller: I was first testing the waters to see if there's any interest. Assuming there is interest, I would also like to throw on the table for exploration purposes, the possibility of instead of making an enormous mess and tearing up the ground, building a platform to extend the range. This would be a simpler project and simpler to permit. I don't know about the cost whether it's more or less. This is an idea which could be looked at.*

*Mr. Haderer: If you want us to explore that, we can do it, but it will cost money. (indecipherable). But their gut reaction was less than positive. There's a lot of moving parts to that. On a personal level I think growing grass on a platform is risky. He said they had spotty results with that. I appreciate the CDD's willingness to help get this project moving.*

*Chairperson Stamp: Jimmy, do you have any idea what an 8,000 square foot platform over water --?*

*Mr. Messick: No. This would need a structural engineer.*

Discussion continued about the golf course expansion, and how the CDD might assist.

*Mr. Miller: If we could get a real cost estimate in the next few weeks, we could throw a number into the budget next month and then in July if we wanted to, we could pull the number out of the budget. We would just need something to put in the budget for the budget process. I'm not hearing any great enthusiasm about the platform, so I am talking about a number to begin moving the dirt.*

Discussion ensued regarding a cost estimate to begin the golf course expansion and whether to include this number in the proposed budget.

Mr. Ward noted if the cost estimate was more than \$195,000 dollars the CDD would have to undergo the competitive bid process. He explained the competitive bid process.

Ms. \_\_\_\_\_13:10 asked (indecipherable).

Mr. Ward explained Mr. Miller was limiting the CDD's involvement to the work related to the water management system; the CDD clearly had authority to work on the water management system, and this could be put in the budget, the community would be assessed, and the project could move forward. He said he saw this often where the CDD handled the infrastructure portion of the project, and the HOA came in and took care of the remainder of the project.

Discussion ensued regarding how involved in the project the CDD would be, what the CDD would do in terms of the golf expansion project, and at what point the HOA would pick up the ball and continue the project. Much of this conversation was (indecipherable).

Mr. Miller stated he believed this project would move forward at some point, and having the CDD start the project was simply moving money from one pocket to another; the residents would be paying for this project either through the CDD or the HOA.

Ms. \_\_\_\_\_18:50 asked (indecipherable).

*Mr. Miller: Then I'm going to go back to what Jim was saying. The CDD could complete that one project and then the HOA with their 3% allowance could fix the putting green, so you would have that much done. The chipping green would remain undone, but the HOA Board has the authority and the money to go ahead and fix the putting green. I think the HOA Board has the authority to do this and has the money.*

*Mr. Bhatla: If the intent is to take an HOA approved project and split it up and we do a portion of the project, is that the intent?*

*Mr. Miller: I think that's a fair assessment. The CDD could be helpful in achieving a community desire.*

*Mr. Bhatla: If it's an approved project then I think we can consider it.*

*Mr. Miller: The HOA Board has approved it, but there is no funding for it.*

*Mr. Ward: The CDD can do what it wants (indecipherable).*

*Chairperson Stamp: If Jimmy could talk to your engineer and come back and tell us, and we can talk about if we want to stick another \$250 assessment in the budget or not.*

*Mr. Miller: In my view, we could do this more efficiently than the HOA because of how we are structured. They can use 3% of their capital fund to finish it, that would relieve some of the burden on the assessment (indecipherable). Maybe you could do a one time assessment. It's not a big lift.*

*Chairperson Stamp: Jimmy, can you get together with – who does he need to talk with?*

*A female member of the Audience asked a questions that was (Indecipherable).*

*Mr. Miller: That's fair. In my view we would need to tread water until we had favorable input from the HOA.*

*Chairperson Stamp: So, we will just assume \$250 for right now.*

*Mr. Messick: Is there any action you want me to take?*

*Chairperson Stamp: There is not.*

**NINTH ORDER OF BUSINESS**

**Public Comments**

**Public Comments:** Public comment period is for items NOT listed on the Agenda, comments are limited to three (3) minutes per person, assignment of speaking time is not permitted, however the Presiding Officer may extend or reduce the time for the public comment period consistent with Section 286.0114, Florida Statutes

Chairperson Stamp asked if there were any public comments, there were none.

**TENTH ORDER OF BUSINESS**

**Announcement of Next Meeting**

**Announcement of Next Meeting – Regular Meeting May 16, 2024**

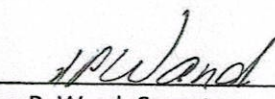
Chairperson Stamp announced the next meeting date.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

The meeting was adjourned at approximately 3:04 p.m.

**On MOTION made by Martinn Winters, seconded by Ron Miller, and with all in favor, the Meeting was adjourned.**

  
James P. Ward, Secretary

Flow Way Community Development District  
  
Zack Stamp, Chairperson