

**MINUTES OF MEETING  
ESPLANADE LAKE CLUB  
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Esplanade Lake Club Community Development District was held on Thursday, July 13, 2023, at 11:00 A.M. at the Lake Club Wellness Center, 11501 Canal Grande Drive, Fort Myers, Florida 33913.

**Present and constituting a quorum:**

Charles Cook	Chairperson
Trisha Sing	Vice Chairperson
Rebekah Norton	Assistant Secretary
Brian Keller	Assistant Secretary

**Absent:**

Valerie McChesney	Assistant Secretary
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**Also present were:**

James P. Ward	District Manager
Wes Haber	District Attorney
Tony Grau	Grau and Associates

**Audience:**

Patrick Martone (ph)  
Shannon Pierce (ph)

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**

Mr. James P. Ward called the meeting to order at approximately 11:00 a.m. He conducted roll call; all Members of the Board were present, with the exception of Supervisor McChesney, constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Notice of Advertisement**

**Notice of Advertisement of Public Hearing**

**THIRD ORDER OF BUSINESS**

**Consideration of Minutes**

**April 13, 2023 – Regular Meeting**

Mr. Ward asked if there were any additions, deletions, or corrections for the Regular Meeting Minutes; hearing none, he called for a motion.

**On MOTION made by Charles Cook, seconded by Rebekah Norton, and with all in favor, the April 13, 2023, Regular Meeting Minutes were approved.**

**FOURTH ORDER OF BUSINESS****Consideration of Resolution 2023-7**

**Consideration of Resolution 2023-7, a Resolution of the Board of Supervisors of the Esplanade Lake Club Community Development District amending Resolution 2023-6 to correct the address of the location of the Public Hearing on the proposed budget for Fiscal Year 2024; ratifying the action of the District Manager in utilizing the corrected location information in the hearing notices thereon; providing a severability clause; and providing an effective date**

**FIFTH ORDER OF BUSINESS****Public Hearing****FISCAL YEAR 2024 BUDGET**

Mr. Ward explained the Public Hearing process noting there were two public hearings, the first related to the Budget itself. He explained the Budget was comprised of two parts, the first was the General Fund which covered operations and maintenance activities. He explained the General Fund portion of the budget covered administrative operations, stormwater management (lakes, drainage pipes, etc.), and landscaping. He indicated the overall general fund budget was roughly \$750,000 dollars, up from \$570,000 dollars. He explained the increase was largely due to beginning a reserve fund for capital improvements, hurricane damage, etc. He stated the other big change was in how the assessments were calculated; previously the assessments were calculated by lot size (the smaller the lot size the smaller the assessment), but now the assessments were divided equally between all residents. He explained as the community grew and took on more operations, there was no real nexus to having an assessment tiered to product size as the stormwater management system, outside landscaping, etc., benefited all residents equally. He noted most Districts in the State of Florida used a one rate system for purposes of operations. He reported the other part of the Budget was the Debt Service Fund (or Capital Assessment) which remained the same every year and would remain the same until the bonds were paid in full unless a homeowner chose to pay off the assessment early. He explained homeowners could visit [www.EsplanadeLakeClubCDD.org](http://www.EsplanadeLakeClubCDD.org) to find the annual assessments, budget, contact information, etc. He welcomed residents to contact himself with questions.

**a) FISCAL YEAR 2024 BUDGET****I. Public Comment and Testimony**

Mr. Ward called for a motion to open the Public Hearing.

**On MOTION made by Brian Keller, seconded by Charles Cook, and with all in favor, the Public Hearing was opened.**

Mr. Ward asked if there were any members of the audience present via audio or video with questions regarding the fiscal year 2024 budget.

Mr. Patrick Martone noted the increase in the budget was \$179,000 dollars. He asked who would bear this cost.

*Mr. Ward: All units within Esplanade pay their proportion of shares, whether it is a developed lot with a home on it, an undeveloped lot with no home on it, or a vacant piece of property Taylor Morrison may still own. Taylor Morrison still gets assigned the number of units that they own. Everybody pays in Esplanade for your operations and maintenance assessment. At the end of the day, this community at the moment has 653 planned units that will be constructed. I don't know how many are in the ground built or unbuilt at the moment, but whether you live here, or Taylor Morrison owns the vacant lot, everybody still pays the same amount of money.*

An unidentified male member of the audience asked about the condos.

*Mr. Ward: The condos are at the moment Twin Villa lots. They will be converted to condos or vice versa, and then they will have a rate similar to the Twin Villa lots.*

An unidentified male member of the audience: 10:00 (indecipherable).

*Mr. Ward: They are going to pay the same rate you pay.*

*Ms. Shannon Pierce: When I bought in here, I was never told I would be paying the same taxes as someone who lives in a million-dollar home. And that's not fair at all.*

*Mr. Ward: CDDs generally don't levy ad valorem taxes (taxes based on property values), so whether you live in a million-dollar home or a half a million-dollar home or a \$20 million dollar home, there is no CDD in the state that levies assessments based on property values. Ours is an assessment based upon the services that you provide, not based on property values. So, whether you live in a million-dollar home or a half a million-dollar home, the landscaping is the landscaping, the drainage system is the drainage system. That is the theory behind it. That is different when you live in a city or county. Most of the money they raise is from ad valorem taxes which are based on your property values.*

*Ms. Pierce: (Indecipherable).*

*Mr. Ward: The landscaping as I mentioned to you, the internal landscaping is not done by the CDD. That is handled by your homeowner's association whether it's the master or other. We don't do any of that. We only do the landscaping outside of your gated areas that everybody sees.*

An unidentified male member of the audience 12:13: *(Indecipherable)* look at it, it's two parts, one would be capital assessment, what the builder incurred bringing this together, and we pay that in taxes?

Mr. Ward: Yes.

An unidentified male member of the audience: *And then another part to maintain the property? To maintain the islands and drainage system?*

Mr. Ward: Yes.

An unidentified male member of the audience: *This charge goes on our taxes?*

Mr. Ward: *This goes on the November 2023 tax bills that you all receive from Lee County.*

An unidentified male member of the audience: *Doesn't Lee County give us anything for the taxes we pay? In other words, if we didn't have a CDD would Lee County then be responsible for --?*

Mr. Ward: *From my experience, I've done Districts for 40 years, hundreds of them across the State of Florida, and I can be a little mean when it comes to cities and counties. So, they do not give you anything when it comes to these kinds of communities, these master plan communities. You can tear it all up and leave it as grass or dirt, and they will maintain that for you, but if you want these kinds of assets, there is no city or county in the state that will do that for you.*

Discussion ensued regarding what was maintained by the CDD in the community.

An unidentified male member of the audience 14:28: *(Indecipherable)*.

Mr. Ward: Yes.

An unidentified male member of the audience 14:41: *(Indecipherable)*.

Mr. Ward: *That is true. We have an engineer for this District who has not prepared that particular document yet. I simply think because we are still in a construction phase, we can probably get them to prepare something of what we have now, but it changes a lot on a frequent basis, so what you see today will change next year or 3 months or 6 months from now.*

An unidentified male member of the audience: *(Indecipherable)*.

Mr. Cook: *You can go to the Lee County Property Appraiser website at any point in time. You can actually zoom in on Esplanade Lake Club, click on the various parcels, and they will tell you if the ownership has been conveyed from Taylor Morrison either to the HOA or to the CDD.*

An unidentified male member of the audience 16:05: *I have submitted questions through contact us and I never get a response. When I email you directly, I get a response right away. But don't we pay someone to monitor the website?*

*Mr. Ward: I put that up there, but I get more spam from that thing than I get emails from residents, so if I missed it, I do apologize to you for that. It does come to me, but I will tell you the stuff I get through the website – That’s why my personal email address and phone number, on that page, is the best way to get me.*

*Mr. Ralph \_\_\_\_\_ 17:06: Mr. Ward, you were nominated or elected?*

*Mr. Ward: Appointed. I am not a part of Taylor Morrison. I have a firm that represents CDDs across the State.*

*Mr. Ralph \_\_\_\_\_: Mr. Keller, are you a part of Taylor Morrison? Mr. Cook?*

*Mr. Keller: Yes.*

*Mr. Cook: I am a consultant for them, not an employee.*

*Mr. Ralph \_\_\_\_\_: At what point do we take over the CDD?*

*Mr. Ward: Great question. So, I’ll answer the question, but it’s not a part of the budget process. The Board Members are elected every two years. So, in November of 2024 will be the next election. We have a five member Board, two are not here today and two seats will be up for election in November 2024 that will go to residents; one seat will stay a landowner’s election, and then in 2026 we transition two more Board Members to residents, and then in 2028 the last seat will transition to the residents.*

*An unidentified male member of the audience 18:54: According to my calculations, this increase in budget is going to cost each household \$455 dollars a year. Is that true? Is that borne by us?*

*Mr. Ward: It’s borne by everybody who lives in Esplanade Lake Club, whether it’s you or Taylor Morrison.*

*An unidentified male member of the audience: So, is there a way we could get a summary of why our yearly payment has gone up by \$455 dollars? I realize cost of living and labor, and so forth, but without having to read through the itemized budget, is there a way at a later date you could summarize the reason behind this significant increase.*

*Mr. Ward: Sure, I would be glad to do that for you.*

*An unidentified male member of the audience: I see the proposed rate here for fiscal year 2024 at \$1,141.78. What is the cap rate of \$1,300?*

*Mr. Ward: What the cap rate does is – we gave a mailed notice to you all this year, which means we went over our cap rate. We have to do a public hearing and public notice, but we just don’t have to do a mailed letter to everybody if we are under the cap rate. If we hit the cap rate or go over it, then we do a mailed notice letter to everyone. We sent a letter this time because we went over the existing cap rate; the \$1,300 dollars is a new cap rate.*

*An unidentified male member of the audience: (Indecipherable).*

*Mr. Ward: It looks like 15% over the actual rate. The Board sets the cap rate. One of the resolutions today will be to adopt that cap rate.*

*An unidentified male member of the audience: You proposed the \$1,141.78. They established the cap rate which will be 15% or 10% more and the cap rate is set for why?*

*Mr. Ward: The only thing the cap rate does is make it so we don't have to send out mailed notices every year. We do everything else, just not the mailed notice.*

*An unidentified male member of the audience: (Indecipherable).*

*Mr. Ward: The amount for the November 2023 tax bill is \$1,141.78 per year, plus the capital assessment. That's what's on your tax bill. Last year your rates were anywhere from \$860 to \$1,500 dollars based on what size lot you lived in. This year, it's \$1,141.78 for everybody. The total budget went up from \$570,000 dollars to \$750,000 dollars basically. I will tell you that generally in these new communities, you are going to see that increase until all the infrastructure for all the units is constructed, and then you will start to see the assessment rate level off. So, I can't tell you how much it is going to go up by, but I can tell you if we hit the cap rate again, we are going to do the mailed notice again to you all, but you will see changes going up on a year to year basis. It is impossible for me to say by how much. This year, in some of my districts I've seen them go up 40% or 50% just because of Hurricane Ian that blew through last year. You guys got lucky, not in terms of cost, Taylor Morrison paid a significant portion of the hurricane costs for this community, but if you get hit with a hurricane, we don't have any money to fix that kind of stuff, so you are going to see this continue to go up. I just can't tell you whether it's 5% or 10% or 20% or whatever.*

*An unidentified male member of the audience: Wouldn't the yearly increases be tempered by the continued growth of our community? In other words, next year 100 more homes are going to sell, and 100 more homes are going to be paying into the CDD.*

*Mr. Keller: We are paying that already.*

*Mr. Ward: If you remember what I said earlier, Taylor Morrison is paying for those assessments.*

*An unidentified male member of the audience: This change from lot size to (indecipherable). Does this benefit the builder?*

*Mr. Ward: No. I can't say it would benefit the builder. I don't know the mix of units that they own versus what you own. It was my recommendation to do this.*

Discussion ensued regarding the division of assessments and the number of lots within Esplanade Lake Club.

*An unidentified male member of the audience: If we have an issue with the drainage in the property, we go to you?*

*Mr. Ward: Yes. You can go to the website. As I said, my personal email and cell phone number are on there. You are welcome to call me, and I pass those on to Richard, and he will get in touch with you to go over whatever issues you may have.*

An unidentified male member of the audience: *(Indecipherable)*.

*Mr. Keller: Not from your home. Not the lot drainage. It's only stormwater management, so street into the lakes and ponds.*

Discussion ensued regarding what landscaping was maintained by the CDD versus the County; and the drainage managed by the CDD versus the homeowners.

*Mr. Ward: Some of you have gutters on your homes and they drain out onto the land and wash out our lake banks. If that does happen, we will repair the lake banks, but we will take your gutter out or you will need to bury it.*

Discussion continued regarding what drainage structures were the responsibility of the CDD.

An unidentified female member of the audience: *The lighting out front near the entrance is really dark. Is the CDD responsible for that?*

*Mr. Ward: No. That's your HOA.*

An unidentified female member of the audience: *The landscaping up against the structural wall, is that the HOA?*

*Mr. Ward: Inside the wall is HOA; outside the wall is CDD.*

Mr. Ward asked if there were any additional questions; hearing none, he called for a motion.

**On MOTION made by Charles Cook, seconded by Brian Keller, and with all in favor, the Public Hearing was closed.**

**II. Board Comment and Consideration**

Mr. Ward asked if there were any questions or comments from the Board; there were none.

**III. Consideration of Resolution 2023-8, a resolution of the Board of Supervisors adopting the Annual Appropriation and Budget for Fiscal Year 2024**

Mr. Ward called for a motion to approve the budget beginning October 1, 2023 and ending on September 30, 2024.

**On MOTION made by Charles Cook, seconded by Brian Keller, and with all in favor, Resolution 2023-8 was adopted, and the Chair was authorized to sign.**

**b) FISCAL YEAR 2024 IMPOSING SPECIAL ASSESSMENTS; ADOPTING AN ASSESSMENT ROLL; APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY AND SET AN OPERATIONS AND MAINTENANCE CAP FOR NOTICE PURPOSES**

Mr. Ward indicated this public hearing was related to the imposition of assessments, the adoption of an assessment role and certification of the assessment role.

**I. Public Comment and Testimony**

Mr. Ward called for a motion to open the Public Hearing.

**On MOTION made by Brian Keller, seconded by Rebekah Norton, and with all in favor, the Public Hearing was opened.**

Mr. Ward asked if there were any audience questions or comments.

An unidentified male member of the audience: *(Indecipherable)*.

*Mr. Ward: They are going to be assessed the same way in this budget.*

An unidentified male member of the audience: *(Indecipherable)*.

*Mr. Ward: Where the condominium property is, that land is inside the boundaries of the CDD. Taylor Morrison apparently has said to you they are building more parts of Esplanade, but they are currently not inside the CDD boundaries. So, that property that has the extra units on it, we can't assess them just yet.*

An unidentified male member of the audience: *The Florida Gulf Coast piece that still has to be developed behind Phase 5, that's not in the CDD.*

Discussion ensued regarding which properties and units were within the boundaries of the CDD; how many units were within the current boundaries of the CDD; how many units might be added to the CDD; and how the condominiums would be added to the tax rolls.

Mr. Ward asked if there were any additional questions; hearing none, he called for a motion to close the Public Hearing.

**On MOTION made by Brian Keller, seconded by Rebekah Norton, and with all in favor, the Public Hearing was closed.**

**II. Board Comment and Consideration**

Mr. Ward asked if there were any questions or comments from the Board; there were none.

**III. Consideration of Resolution 2023-9, a resolution of the Board of Supervisors imposing special assessments, adopting an assessment roll, and approving the General Fund Special Assessment Methodology**



Mr. Ward called for a motion.

**On MOTION made by Charles Cook, seconded by Rebekah Norton, and with all in favor, Resolution 2023-9 was adopted, and the Chair was authorized to sign.**

**IV. Consideration of Resolution 2023-10, a resolution of the Board of Supervisors establishing an Operation and Maintenance Assessment Cap for notice purposes**

Mr. Ward called for a motion.

**On MOTION made by Brian Keller, seconded by Charles Cook, and with all in favor, Resolution 2023-10 was adopted, and the Chair was authorized to sign.**

**SIXTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-11**

**Consideration of Resolution 2023-11, a resolution of the Board of Supervisors adopting designating dates, time, and location for regular meeting of the Board of Supervisor’s for Fiscal Year 2024**

Mr. Ward explained Resolution 2023-11 set the date, time, and location for the Board Meetings for Fiscal Year 2024 at 11:00 a.m. at the offices of Atwell, LLC 28100 Bonita Grande Drive, Suite 305, Bonita Springs, Florida 34135. He noted this resolution did not bind the Board to these dates; the dates could be adjusted as the Board saw fit.

**On MOTION made by Charles Cook, seconded by Brian Keller, and with all in favor, Resolution 2023-11 was adopted, and the Chair was authorized to sign.**

**SEVENTH ORDER OF BUSINESS**

**Consideration of Audited Financial Statements**

**Consideration of the acceptance of the Audited Financial Statements for the Fiscal Year ended September 30, 2022**

Mr. Ward introduced Mr. Tony Grau, with Grau and Associates.

Mr. Tony Grau reviewed the Audited Financial Statements for the Fiscal Year ended September 30, 2022. He stated the audit reflected a clean opinion with respect to the financial statements of the District; Grau believed the financial statements were fairly stated in accordance with generally accepted accounting principles. He stated the next section was the management discussion and analysis which was a recap of the financial activity during the Fiscal Year. He indicated on page 4 was the statement of net position with comparative numbers with the prior year in condensed form on the full accrual basis. He reported next was the condensed income statement which showed revenues, expenses, and the change in net position with comparative numbers to the prior year. He reported after that were the

government wide financial statements; first was the balance sheet which showed assets, liability, and net position; then was the statement of activities which showed expenses, and program revenues. He reported next were the governmental funds with the three major funds: the general fund, debt service fund, and capital project fund. He reported the income statement for the funds was on page 11 and on page 13 were the footnotes to the financial statements which were consistent with the prior year. He indicated on page 19 were the capital assets and on page 20 was the long term debt. He reported budget to actual was on page 22. He stated the remainder of the report contained the information required by the State of Florida and the Auditor General, as well as the various reports required under government auditing standards and by the Auditor General. He reported there were no findings and only clean opinions.

Mr. Ward noted the audit was on the CDD's website for review. He asked if there were any questions; hearing none, he called for a motion.

**On MOTION made by Brian Keller, seconded by Charles Cook, and with all in favor, the Audited Financial Statements for the Fiscal Year ended September 30, 2022 were accepted for purposes of inclusion in the record.**

#### **EIGHTH ORDER OF BUSINESS**

#### **Consideration of Resolution 2023-12**

**Consideration of Resolution 2023-12, a resolution of the Board of Supervisors of the Esplanade Lake Club Community Development District amending Resolution 2022-09 directing the Chairman and District Staff to request the passage of an Ordinance by Lee County, Florida, amending the District's boundaries, and authorizing such other actions as are necessary in furtherance of that process; authorizing a Funding Agreement; and providing an effective date**

Mr. Ward explained this Resolution amended a prior resolution and added the FGCU property into the CDD. *This Resolution, we included both the FGCU property again in this resolution and we added lots 549, 550, 551, 552, 553, and 554, which are also a part of Esplanade, but not within the boundaries of the CDD. They will be added to the processing of the ordinance to amend your boundaries.*

Mr. Keller: *We did get the property documentation signed for the added lots?*

Mr. Ward: *We did.* He asked if there were any questions; hearing none, he called for a motion.

**On MOTION made by Charles Cook, seconded by Brian Keller, and with all in favor, Resolution 2023-12 was adopted, and the Chair was authorized to sign.**

#### **NINTH ORDER OF BUSINESS**

#### **Consideration of Resolution 2023-13**

**Consideration of Resolution 2023-13, a resolution of the Board of Supervisors of the Esplanade Lake Club Community Development District ratifying, confirming, and approving the Interlocal Agreement**

**with Lee County for Stormwater Improvement Maintenance; providing authorization; addressing conflicts, severability; and providing an effective date**

Mr. Ward indicated Resolution 2023-13 ratified, confirmed, and approved the interlocal agreement with Lee County for certain stormwater management improvements. *Essentially, there were certain parts of the water management system that drain Alico Road that the County wanted a wider drainage easement on, and certain annual work to be done by the CDD to maintain that pipework that is draining Alico Road through Esplanade Lake Club and go into your large lake. The interlocal agreement does just that. It provides the locations of the drainage structures that we were maintaining but will now be the subject of a wider easement, and an annual process of actually going through and cleaning those pipes and reporting those directly to the County.* He asked if there were any questions; hearing none, he called for a motion.

**On MOTION made by Charles Cook, seconded by Brian Keller, and with all in favor, Resolution 2023-13 was adopted, and the Chair was authorized to sign.**

**TENTH ORDER OF BUSINESS****Staff Reports****I. District Attorney**

No report.

Mr. Ward explained the CDD had a District Attorney who was present via video, Mr. Wes Haber. He explained this portion of the meeting was to allow Staff to communicate any items not on the Agenda with the Board. He noted Mr. Haber had no report.

**II. District Engineer**

No report.

**III. District Asset Manager**

- a) **Operations Report April 2023**
- b) **Operations Report May 2023**
- c) **Operations Report June 2023**

No report.

**IV. District Manager**

- a) **Supervisor of Elections Qualified Elector Report as of April 15, 2023**
- b) **Financial Statements for period ending April 30, 2023 (unaudited)**
- c) **Financial Statements for period ending May 31, 2023 (unaudited)**
- d) **Financial Statements for period ending June 30, 2023 (unaudited)**

*Mr. Ward: There are 577 registered voters in the District, so beginning in November 2024 the CDD will turn over two seats to qualified electors and then two more seats in 2026 and the final seat in 2028. There is no action needed.*

**ELEVENTH ORDER OF BUSINESS**

**Supervisor's Requests and Audience Comments**

Mr. Ward asked if there were any Supervisor's requests; there were none. He asked if there were any audience members with any other comments or questions.

An unidentified male member of the audience: *we, if I understand correctly, in November we can sit on the board?*

*Mr. Ward: A qualified elector is any individual who lives in Esplanade Lake Club CDD, who is registered to vote here in Lee County. If you are a qualified elector, you will vote for two seats on this Board next November.*

An unidentified male member of the audience: *(Indecipherable).*

*Mr. Ward: We do, we lose Rebecca. Rebecca, Ms. McChesney, and Mr. Keller. The board does not expand; there are always five members.*

Discussion ensued regarding the CDD Board transitioning over to the homeowners; engineering drainage drawings and the CDD boundary map; when the drainage system was typically cleaned; and the possibility of cleaning the drainage system earlier in the year.

It was agreed engineering drainage drawings and the CDD boundary map would be posted on the CDD website.

Mr. Ward asked if there were any additional questions; there were none.

**TWELFTH ORDER OF BUSINESS**

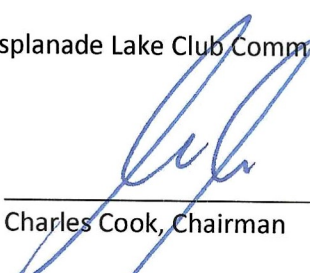
**Adjournment**

Mr. Ward adjourned the meeting at approximately 11:55 a.m.

**On MOTION made by Brian Keller, seconded by Rebekah Norton, and with all in favor, the Meeting was adjourned.**

Esplanade Lake Club Community Development District

  
James P. Ward, Secretary

  
Charles Cook, Chairman