

**MINUTES OF MEETING
STONEBROOK
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Stoneybrook Community Development District held a Regular Meeting on January 25, 2022 at 9:00 a.m., at the Stoneybrook Community Center, 11800 Stoneybrook Golf Boulevard, Estero, Florida 33928.

Present were:

Eileen Huff	Chair
Chris Brady	Vice Chair
Phil Olive	Assistant Secretary
Philip Simonsen	Assistant Secretary
Mike DeBrino, Jr.	Assistant Secretary

Also present, were:

Chuck Adams	District Manager
Lenore Brakefield	District Counsel
Leah Holmes (via telephone)	Johnson Engineering Inc., (JEI)
John Vuknic	Golf Superintendent
Jeff Nixon	Golf Pro
Brian McFall	Juniper Landscaping (Juniper)
Darrell Stanley	Juniper Landscaping (Juniper)
Paul McFarland	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 9:00 a.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comments (5 Minutes)

There were no public comments.

▪ **Update: Community Landscape Committee**

- **Presentation of Juniper Landscaping Renovation Plan**

This item, previously the Fifth Order of Business, was presented out of order.

Ms. Huff introduced Mr. Brian McFall as the CDD’s new contact representative for Juniper. Mr. Scott Smith was transferred to another position.

Mr. Brian McFall, Juniper Landscape Architect:

- Juniper staff reviewed the Johnson Engineering line of sight recommendations for clearance that Ms. Holmes prepared in conjunction with their on-site inspections.
- Juniper’s recommendations exceeded Johnson Engineering’s recommendations, which consisted of removing shrubs, berm reduction and heavy pruning of trees while intending to save as many trees as possible.

Mr. Brady and Mr. Vuknic brought up concerns about having work done on the cul-de-sac and the number of trees they plan to remove. Ms. Huff explained that the reason the CDD is cleaning up and removing shrubs at the intersections, prior to Juniper commencing work, is to prevent potential liability to the CDD due to line of sight issues. She stated that the Committee would review Juniper’s plans before presenting it for approval.

Ms. Huff stated that the Committee decided against removing the three jewel palms at the entrance of the community and plans to plant smaller ones intermittently. Mr. McFall indicated Juniper is preparing landscape plans of what is best for that area. Mr. McFall was asked to submit a proposal to clean up the intersections, instead of having in-house staff complete the project in phases. Mr. Vuknic would notify Ms. Huff of the areas that were already completed so she can provide the information to Mr. McFall.

Mr. McFall presented the Removal Plan and the recent version of the Landscape Plan, still in draft form. The Removal Plan was distributed during the meeting and would be emailed to Mr. Adams to send to the Board.

Discussion ensued regarding why the sod by the two trees behind Duffy’s is unhealthy. It was decided that nothing would be done with the Stoneybrook sign until The Village proceeds with its plans and Juniper’s plans for the CDD are finalized.

THIRD ORDER OF BUSINESS

Golf Course Staff Reports

A. Golf Superintendent

Mr. Vuknic reported the following:

➤ A memorial luncheon for the passing of a former employee is being held today, at the driving range.

➤ Staffing: The golf course has positions for one laborer and one Assistant Mechanic open. The commons grounds has one irrigation landscape tech position open. Since experienced candidates are not showing up to their interviews, an inexperienced worker was hired to keep the work from getting behind.

Mr. Vuknic discussed the wage range for each position and noted that salary depends on years of experience.

➤ Ongoing research is underway to determine if outsourcing the common grounds is viable.

➤ Delivery of the extra pine straw was delayed but expected next week.

➤ The bid to replace the putting green to spec was pending. Once received, it would be emailed to Mr. Adams to forward to the Board. It would be presented. The project would be completed in phases.

➤ Proposals to plant shrubs along areas of the wall between Hole #9 and Berwhich Run and Hole #7 were obtained at Mr. Jim Drops' request. Preparation of costs for labor and irrigation was underway.

Mr. Vuknic felt that the HOA's wanted shrubs to hide the wall, as the HOA is having issues with Miromar not maintaining the areas. The HOA would incur the initial expense but he was concerned about the CDD having to maintain those areas.

➤ The pots from the driving range were removed and placed in front of the Pro Shop.

Discussion ensued regarding redesigning the driving range.

➤ Flag sticks were ordered to replace the ones vandalized at Holes #14 and #15. The expense would be coded to the General Fund.

➤ The price for chlorine tablets has doubled. Mr. Adams stated he is aware and received several notices of price increases.

➤ Staff Wages: Mr. Vuknic stated that he is concerned about losing employees and asked the Board to consider increasing wages for labor and common ground staff, considering that

the minimum wage would be increasing nationwide and potential candidates are not showing up for interviews.

Mr. Vuknic stated he confirmed the wages at other golf courses and noted that the others were having the same staffing issues and some have engaged inexperienced temporary laborers at a higher salary than Stoneybrook pays. Discussion ensued regarding increasing the pay rate for all, not just some, and designating additional funds in the Fiscal Year 2023 budget.

Mr. Vuknic and Ms. Huff distributed and presented a spreadsheet of the existing pay rates and proposed new rates for each employee. The pay increases would result in a budget increase of \$37,000 annually.

Mr. Nixon was asked to prepare and present a salary rate increase spreadsheet for his employees at the next meeting. Employees will be notified of the pay increase at the luncheon today and the Board's appreciation of their hard work would be conveyed. The pay increase will be reflected in the next pay period.

On MOTION by Ms. Huff and seconded by Mr. Olive, with all in favor, increasing employees' salary to the new rates, as stated, was approved.

➤ Proposals for smaller plants were being obtained in response to a request to fill in areas along Holes #1 and #11, where the palm trees were trimmed and/or removed.

Mr. Vuknic stated that the greens are in great condition, other than the wear and tear on the putting green. Hole #3 continues to be one of the worst areas on the course and is known for having drainage issues but he is happy with the outcome of the work that was done.

B. Golf Pro

Mr. Nixon reported the following:

➤ Financially, January was currently down \$2,000 but he hoped to make it up over the next five days. The Financial Report was distributed.

➤ As the "Range" revenues exceeded budget projections, proposals were being obtained for a range dispenser with a credit card swipe and would be presented at the next meeting. The overall purchase and electrical expenses should be recouped in a short amount of time.

Discussion ensued regarding new equipment, prorating range passes and concerns about the course getting busier as new developments are constructed.

- Several events are scheduled for February.

Resident Paul McFarland commended Staff on the fantastic job improving the golf course conditions. Mr. Nixon, Ms. Huff and Mr. Adams responded to questions regarding the gross/net revenues received for Fiscal Year 2021 and currently and the amount remaining on the bonds.

- Accident Update: No action would be taken until a claim is filed with the CDD or information about the incident is provided.

Mr. Vuknic presented the putting green bid of \$132,000, which he received during the meeting. Additional project costs included curbing, estimated at \$3,600, \$4,200 to install the land bridge at Hole #13 and unknown costs related to the type of material that is buried and might need to be removed. The overall cost was approximately \$150,000. As he felt the best time to do the project is this summer, the bids would be presented at the next meeting and a decision on whether to proceed with the project would be made at the March meeting.

As reports were received that the water machine is not working properly, Mr. Vuknic would contact the installer and then schedule a service call with Panther Plumbing.

FOURTH ORDER OF BUSINESS

Discussion: Common Area Landscape Maintenance Contract

- **Outsourcing**

Ms. Huff stated that Mr. Vuknic and Mr. Simonsen reviewed the final version of the contract to outsource the Common Area Landscape Maintenance and all Board questions were satisfied. The Board decided against outsourcing the Irrigation Tech position and agreed to keep it in-house and fill the open Irrigation Tech position.

The following change was made:

Delete: All verbiage associated with the Irrigation Tech.

Mr. Adams reported the following:

- The final version of the contract would be emailed to everyone.

- The Request for Proposals (RFP) would be advertised and sent to Juniper as well as several other vendors.
- A pre-bid meeting would be scheduled.
- The bid opening would be in mid-February and presented in March.

FIFTH ORDER OF BUSINESS

Update: Community Landscape Committee

- **Presentation of Juniper Landscaping Renovation Plan**
This item was presented following the Second Order of Business.

SIXTH ORDER OF BUSINESS

Update: Potential Sale of TAQ Building

Ms. Huff stated that she, Mr. Adams, Mr. Pires and the Appraiser received an email today, along with sealed confidential documentation on this matter that, in accordance with Florida Statutes, is exempt from public record.

Ms. Lenore Brakefield, on behalf of Mr. Pires, highlighted the following major points associated with the potential sale of the TAQ building:

- The Escrow Agent received the initial deposit identified in the contract on December 20, 2021.
- The Surveyor was retained on December 27, 2021.
- The Title Commitment was received on January 10, 2022.
- The Surveyor received all documents listed in the Title Commitment on January 12, 2022. The field work was performed and completed.
- The Appraiser was retained on January 17, 2022 and the trade secret documents, along with the site plan and building plans, were delivered on the same day.
- Authority to proceed as needed to complete the due diligences process, was requested.

On MOTION by Ms. Huff and seconded by Mr. Olive, with all in favor, authorizing Mr. Pires to proceed as needed to complete the due diligences process and engage the necessary people to continue with the due diligence process within the time set forth in the contract, was approved.

Mr. McFarland stated his concerns regarding the CDD's potential purchase of the TAQ building. He raised concerns about homeowners' assessments increasing significantly because of the HOA's \$4 million project and the CDD's potential \$6 million project.

Mr. McFarland referenced an article about US Homes constructing and paying for the building with bond funds. Ms. Huff stated that the initial CDD Board is typically comprised of Developer Representatives, which was US Homes at the time the property was sold to the current owner; the criteria to transition to homeowner representatives was not met. US Homes received funds from the sale of the building because US Homes used its own funds to build it; they did not pay down the bonds. Mr. McFarland asked why the CDD did not obtain a formal agreement from US Homes. Ms. Huff stated the reason it was an informal agreement was because US Homes subsidized the shortfall for the Clubhouse, until the market crashed. She noted that both the Developer and the CDD, from 2007 to 2010, made no payment on the bonds because the golf course did not have the funds.

Mr. McFarland asked for the CDD's motivation to initiate this purchase. Ms. Huff stated that, since the property is zoned for commercial and food services, the Board decided to pursue the owner, because the Board believed it was in the best interest of the golf course and the community to be able to control the land. It was noted that the Pro Shop lease is in perpetuity but that did not mean the new owner would keep it in the same building.

Mr. McFarland asked if just the Board has the final say whether to enter into any financial transaction or if homeowners have a say. It was explained that the Board Members are elected officials of the CDD and have authority to enter into any contract without the consent of the homeowners, subject to it benefitting the community and the CDD; the only exception is that they cannot sell the golf course. Mr. Adams stated that the CDD operates in the same way that City and County governments do, when purchasing property.

Mr. McFarland asked if the CDD be dissolved. Mr. Adams replied affirmatively, subject to the transfer and assignment of CDD assets to another public entity and then setting up a special taxing unit.

Mr. McFarland voiced his concern and opinion that the \$6.7 million purchase price is at the top end of the market. It was explained that the CDD has not countered the offer from the current owner, as an appraisal is pending.

As homeowners and not as Board Members, Ms. Huff and Mr. Brady stated their interest in having the CDD control the property is to ensure that future tenants are beneficial to the community. Ms. Huff referred to her banking experience and stated that some of Mr. McFarland’s questions cannot be answered yet because the purchase process is in the early stages. She assured everyone that the Board is doing its due diligence and attending HOA meetings to keep homeowners informed.

Mr. McFarland voiced his opinion that it is unwise for the CDD to proceed with the purchase, as he believed the HOA is passing on more debt to homeowners. He stated that the golf course is far more important to him than purchasing the building.

The differences between the HOA and CDD decision-making and voting process and criteria were explained. With the CDD, the Board makes the final decision. The CDD sometimes initiates surveys to take homeowners comments into consideration.

An update will be provided at the next meeting.

SEVENTH ORDER OF BUSINESS

Consideration of Proposals for Irrigation Pumpstation Replacement

- A. Metro Pumping Systems, Inc.**
- B. ProPump and Controls, Inc.**

Mr. Adams stated that two vendors submitted proposals. Revisions to the Metro Pumping Systems, Inc. (MPS) proposal were made because MPS inadvertently added sales tax to its bid. The corrected amount is \$482,114.95.

Mr. Adams stated that he and Mr. Vuknic compared the proposals and both were comparable to each other. Mr. Vuknic stated that both vendors were on-site and that, although not stated in the proposal, ProPump & Controls, Inc. (ProPump) indicated that all new lighting was included and, if they have to make any changes, they would absorb the cost;

Ms. Brakefield pointed out that the warranty coverage of each vendor varied.

The project timeline, prior experiences with the vendors, refurbishing the old equipment and cost expensed to the irrigation fund, were discussed.

On MOTION by Mr. Brady and seconded by Ms. Huff, with all in favor, awarding the Irrigation Pumpstation Replacement Contract to Metro Pumping Systems, Inc., as the lowest and most responsive and responsible bidder that best serves the interest of the CDD and authorizing Staff to enter into a contract, was approved.

EIGHTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of December 31, 2021

Ms. Huff presented the Unaudited Financial Statements as of December 31, 2021. She asked for information about funding the purchase of the TAQ Building, if the document is executed on April 15, 2022. Mr. Adams stated that, once the Board decides on the purchase, obtains the appraisal and determines the loan amount needed, including funding the other projects, he would obtain a Bond Participation Note for the property and for the roadway construction and landscape projects. This would bridge the gap between payment and the time the validated bonds are issued. He recommended a 30-year, \$10 million bond; he expected interest rates to be low, since the CDD is in a good financial position.

Mr. Nixon stated that the reason “insurance” and “payroll” line items exceeded budget was because the expenses were not split between his and Mr. Vuknic’s budgets. Ms. Huff stated she would contact Mr. Pinder and have him percentage out the “group insurance” expenses between the two groups.

On MOTION by Mr. Brady and seconded by Mr. DeBrino, with all in favor, the Unaudited Financial Statements as of December 31, 2021, were accepted.

NINTH ORDER OF BUSINESS

Approval of December 14, 2021 Regular Meeting Minutes

Ms. Huff presented the December 14, 2021 Regular Meeting Minutes. The following changes were made:

Line 59: Change “Men’s Chapter” to “Calusa GCSA”

Line 70: Change “Connelly” to “Conway”

Line 218: Change “that road” to “the landscaping”

Line 222: Change “remove” to “have” and insert “removed,” after “purpose”

On MOTION by Mr. Brady and seconded by Mr. DeBrino, with all in favor, the December 14, 2021 Regular Meeting Minutes, as amended, were approved.

TENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Tony Pires, Esquire*

There was nothing further to report.

B. District Engineer: *Johnson Engineering, Inc.*

There was nothing further to report.

C. District Manager: *Wrathell, Hunt and Associates, LLC*

I. Irrigation Reports

- a. High Irrigation Users**
- b. Irrigation Disconnect**

These items were included for informational purposes.

II. NEXT MEETING DATE: February 22, 2022 at 9:00 A.M.

○ QUORUM CHECK

The next meeting will be held on February 22, 2022 at 9:00 a.m.

ELEVENTH ORDER OF BUSINESS

Supervisors’ Requests

Mr. Brady and Ms. Huff asked Staff about the status of addressing The Village and homeowners’ concerns received via email. Staff responded as follows:

- The CDD is having the sidewalks on Corkscrew repaired.
- Golf Course Palm Tree Trimming: As tree maintenance is an ongoing issue with homeowners, Mr. Vuknic was asked to have the palms trimmed regularly, starting at Hole #1,

just along the road. The line-item budget for Fiscal Year 2023 would be increased to provide additional upkeep.

- Regarding requests for information about the potential TAQ building purchase, the CDD will share as much information to homeowners as is statutorily allowed; certain information is exempt from public record.

TWELFTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Brady and seconded by Mr. Olive, with all in favor, the meeting adjourned at 10:18 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair