

**MINUTES OF MEETING
STONEBROOK
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Stoneybrook Community Development District held a Regular Meeting on Tuesday, February 26, 2019 at 6:00 p.m., at the Stoneybrook Community Center, 11800 Stoneybrook Golf Drive, Estero, Florida 33928.

Present and constituting a quorum were:

Eileen Huff	Chair
Chris Brady	Vice Chair
Ed Harland	Assistant Secretary
John Blakeley	Assistant Secretary
Mike DeBrino	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Dan Cox (via telephone)	District Counsel
John Vuknic	Golf Superintendent
Jeff Nixon	Golf Pro
Joe Mika	Resident
Paul Toccaliano	Resident
Tom Fisher	Resident
Lloyd Sebby	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 6:03 p.m. All Supervisors were present, in person.

SECOND ORDER OF BUSINESS

Public Comments: (5 Minutes)

Mr. Paul Toccaliano, a resident, asked for the name of the company that is currently working on the lakes. Ms. Huff stated that the HOA would know the name, as it engaged them.

Mr. Joe Mika, a resident, thanked Mr. Vuknic for his diligence in making the community look good. In response to his question regarding re-painting the white markings on the street, a

Board Member replied that the HOA is responsible for the roadway. Mr. Mika stated, regarding his previous question about ownership of the golf course and the CDD, he reviewed the new covenants proposed by the HOA and noted that it constantly refers to the CDD on certain items and he felt that those items should be publicized. Mr. Adams stated that the CDD owns the golf course and the residents living within the boundaries of the CDD pay assessments to the CDD for the operation and maintenance (O&M) of its facilities and retirement of any outstanding debt on the facilities; the residents are stakeholders in the CDD and have a responsibility and an interest in the golf course. As to the golf course increasing the residents' property values, Mr. Adams stated that was the measurement of special and peculiar benefit, when assessments were levied to help support the financing of the golf course. Ms. Huff stated that the Board Members were elected to manage the golf course. In response to Mr. Mika's suggestion that Mr. Adams post an article in the community newsletter about the CDD, a Board Member stated that such an article was previously published and can be recovered and rerun. Mr. Mika felt that the information in the covenants is confusing. Mr. Adams recommended that the covenant's authors submit a copy to District Counsel for review of all language related to the CDD; he asked if the covenants were adopted. Ms. Huff replied no; they would be adopted at the March meeting. Mr. Adams suggested forwarding a copy to Mr. Cox, as soon as possible, so that there are no mistakes in the portions related to the CDD. Ms. Huff would forward them to Mr. Cox and Mr. Adams.

THIRD ORDER OF BUSINESS

Discussion/Update: Hurricane Irma Recovery

Mr. Adams stated that the CDD's application was still in the queue and the State is fully-obligated. Management was waiting for final signoffs from the State and a check should be forthcoming. All requests for additional information were answered.

FOURTH ORDER OF BUSINESS

Golf Course Bunker Renovation

Mr. Vuknic provided the following update:

- Bunkers 1 and 18 were completed.

➤ Until the financing and other issues are resolved, the project was at a standstill.

Mr. Adams stated that he was awaiting the District's final numbers but, in the interim, he had positive dialogue with the bank. The plan was to borrow \$500,000, with principal and interest payments in the range of \$130,000 to \$135,000, for five years, at a 4% to 4.5% interest rate. He identified, within the operating budget, \$70,000 for lake bank renovations and asked if the Board and Staff could locate additional funds that could be re-purposed, in the future, to make the principal and interest payments. The only issue was that the bank would like security beyond just the revenue stream of the golf course; the documents would be set up with that as the primary security but the bank requires another security. Management could identify a portion of the surplus fund balance, equal to one year's principal and interest, and make that assignable as the security. This could be done as a covenant, and the primary security would be the revenue from the golf course.

Ms. Huff asked Mr. Vuknic for an estimate of the cost for the cart path repairs. Discussion ensued regarding securing the loan and potential areas in need of improvement, cart path issues, bridges, sand, areas that flood, asphalt and concrete. In response to Mr. Mika's question regarding whether the \$5 golf rate increase was generating a reserve fund for the bunkers and if there was a separate account on residents' balance sheets, Mr. Harland stated that the increase was going in the General Fund and it is making a difference on days where there is less play due to weather. A Board Member asked about the cost of littorals in the lake. Mr. Adams replied, \$1,700 for palmyra. In response to Ms. Huff's question, Mr. Adams confirmed that the HOA stocked carp in its lakes.

FIFTH ORDER OF BUSINESS

Discussion: Corkscrew Road Widening and Landscaping

Ms. Huff stated that, other than the terrible traffic conditions, she had nothing further to report, in relation to the Corkscrew Road widening and landscaping. A Board Member stated that there was a recent update in the paper advising that a design project would soon commence and would take 18 months to two years to complete. Discussion ensued regarding the County, ongoing construction and traffic issues. Ms. Huff stated that the County will not

merge two turn lanes into one lane until the widening project is completed and she would look into having a “no U-turn” sign installed near the CDD entrance.

SIXTH ORDER OF BUSINESS

Discussion: Reserves for Hurricane Remediation

Ms. Huff stated that the golf rate \$2 Hurricane Irma relief fee was eliminated. A rate increase of \$5 was instituted to build reserves. An expected FEMA reimbursement check was still pending.

SEVENTH ORDER OF BUSINESS

Discussion: Stoneybrook Landscaping Project

Mr. Harland stated that he was informed by Mr. Vuknic that the University of Florida (UF) is coordinating with the State and is focusing on a program called Floriscaping, which involves planting the right plants for the conditions and the main concern is water conservation through abundant mulching. A number of individuals are scattered throughout the State to assist homeowners, not CDDs, with designing and plant selection for Florida. A document with pictures of plants, plant requirements, etc., also exists. If the CDD proceeds with the project, it should hire a Landscape Architect. Mr. Vuknic presented photographs and stated that he conferred with Mr. Bob Garrett, who previously worked for the CDD regarding xeriscaping. The photographs were just received and the contractor was supposed to provide a PowerPoint presentation but it was not forwarded. Additional media related to the xeriscaping process would be obtained and the Board would be kept informed. Ms. Huff stated that there are currently no funds in the budget for xeriscaping and asked if there were any more comments about the noise on Weymouth, between Corkscrew and the entrance. Mr. Brady replied, no.

EIGHTH ORDER OF BUSINESS

Discussion: Early Retirement of Golf Course 2014 Bond

Mr. Harland stated, if the golf course bond is paid off two years early, it would save the District \$30,000 in interest, equating to \$30 per household, so it was probably not worth it.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2019-02, Declaring Certain Tangible Personal Property Surplus Equipment and Authorizing the District Manager to Sell or Dispose of Said Equipment as Expeditiously as Possible and Providing for an Effective Date

Mr. Adams stated that Resolution 2019-02 identifies certain tangible property and surplus equipment that is no longer able to provide the function for which it was purchased, directs Staff to advertise the unwanted equipment and sell it to the highest bidder. If no bids are received, the equipment can be properly disposed of through a junkyard or donated to another entity, such as a school. The first step would be to advertise and seek bids; then, if none are received, the CDD must properly dispose of the items. A Board Member asked if the CDD did this before. Mr. Adams replied affirmatively.

On MOTION by Mr. Harland and seconded by Mr. Brady, with all in favor, Resolution 2019-02, Declaring Certain Tangible Personal Property Surplus Equipment and Authorizing the District Manager to Sell or Dispose of Said Equipment as Expeditiously as Possible and Providing for an Effective Date, was adopted.

TENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of January 31, 2019

Mr. Harland presented the Unaudited Financial Statements as of January 31, 2019. Assessment revenue collections were at 92%. The Board and Staff discussed the “Capital outlay-mowers/carts” line item, at 50%, the “Lake bank erosion – repair engineering” line item and plant replacement in the center median.

ELEVENTH ORDER OF BUSINESS

Golf Course Staff Reports

A. Golf Superintendent

Mr. Vuknic distributed a Zero Consumption report and reviewed a list of budget cuts. He highlighted the following items:

- One resident's water bill was \$4.
- Of 257 meters, 40 defective meters were replaced, resulting in cost savings of \$400 per month.
- For golf service, \$870 per month for the rest of the year was allocated; nothing major needs to be bought. More trash cans must be purchased for some of the Tees. A few used ball washers were purchased for \$90 each, as the one on #14 broke and there was no replacement in stock.
- Irrigation Repairs: All controllers were being changed out at a cost of \$400 each. The most important part of that work was completed and the CDD could delay the remainder of the repairs.
- Chemicals: A new company presented a comparable product to one of the most expensive chemicals used on the golf course. The active ingredients and percentages were very comparable but it was half the price. The cost savings for that one chemical would be \$3,000. It must be purchased within the next few weeks and it is part of the greens folio program.
- Fertilizer: The pre-emergent that is usually applied in June will be offset by additional herbicide spraying, which will lead to cost savings.
- Trees and shrubs: Anything that dies on the golf course during the year will be cut back and not replaced until next year.
- Tree removal: Six trees were recently removed on #2, including a big pine tree and an oak tree. There were no plans to remove any more trees unless they pose a safety hazard.
- Irrigation: Water usage was closely monitored and he and a few key staffer members can remotely deactivate the irrigation using their phones, which leads to cost savings.
- Staffing Issues: It was difficult to hire people. Three interviews were scheduled for the previous week and none of them showed up.

The Board and Staff conferred about the irrigation billing, meters, rain sensors, controlling irrigation online and maintenance of the common areas.

B. Golf Pro

Mr. Nixon distributed a list of budget cuts and highlighted the following items:

- The budget reduction would tie in to the new point of service (POS) system.

- Plans to revamp the Pro Shop with new fixtures, flooring, counter and painting could be deferred to next year. Staff would perform in-house touch-ups and repairs, resulting in a \$16,000 cost savings.
- Cuts could be made in payroll concessions, as Mr. Nixon and the Pro Shop staff would operate the concession stand on weekdays in the summer, when there are less than 100 players. This would result in a \$6,000 to \$8,000 cost savings.
- The recently-purchased concessions cart was less expensive than the \$850 per month that was budgeted, resulting in approximately \$2,000 in savings.
- The advertising budget could be reduced by \$500 per month, going forward, resulting in a \$3,500 savings.

Regarding the new POS system, Mr. Nixon attended a PGA show and looked at G1, which is a tablet and cloud-based platform. He was skeptical at first but after watching the demo feels that it is the new wave in golf. The platform allows players to pay from their homes a few hours before the rounds, facilitates cyber insurance, provides marketing upgrades and possesses social media tie-ins that would put Stoneybrook ahead of neighboring golf clubs. To make the switch, he would cancel Easy Links and join Golf Now, which would have three Tee times and, in actuality, the golf course would gain a Tee time back, in trade, so it would be more profitable. The new system would be a bit of a transition for Mr. Pinder, with the coding, but Mr. Nixon was assured that the Accounting Department would be assisted. If the new system is approved, there would no longer be a need for PRR for tech help, as the G1 system is cloud-based. The CDD would save \$4,000 this year and, going forward, \$800 per month, or \$9,600 per year. Mr. Nixon summarized that he highly recommends the new G1 program and that it would be an excellent upgrade for the community. The website was recently upgraded and the calendar, a drone flyover and music would be uploaded in a few weeks. The January play totals were down by 8% partly due to weather. The February totals were more favorable. The potential insurance upgrade was pending, as Mr. Nixon awaits a follow-up call from Five Counties Insurance. Discussion ensued regarding the new POS system, bank charges, Sunday golf rounds, credit card fees and liability concerns regarding a player landing his helicopter on the golf course. Mr. Nixon would inform the player that he can no longer arrive via helicopter.

TWELFTH ORDER OF BUSINESS

Approval of January 22, 2019 Regular Meeting Minutes

Ms. Huff presented the January 22, 2019 Regular Meeting Minutes. The following changes were made.

Line 11: Change "Ed Harland" to "Eileen Huff"

Line 12: Change "John Blakeley" to "Chris Brady"

Line 70: Change "play" to "bunker"

Line 160: Change "Perrino" to "DeBrino"

Line 226: Change "Mr. Nixon" to "Mr. Vuknic"

Line 241: Insert "Saturday" after "moving"

On MOTION by Mr. Brady and seconded by Mr. DeBrino, with all in favor, the January 22, 2019 Regular Meeting Minutes, as amended, were approved.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Dan Cox, Esquire*

There being no report, the next item followed.

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

There being no report, the next item followed.

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

There being no report, the next item followed.

i. High Irrigation User's Report

ii. Irrigation Disconnect List

These reports were provided for informational purposes.

iii. NEXT MEETING DATE: March 26, 2019 at 9:00 A.M.

The next meeting will be held on March 26, 2019 at 9:00 a.m.

FOURTEENTH ORDER OF BUSINESS

Supervisors' Requests

Mr. DeBrino stated that, when he called in to the previous meeting, he could barely hear. Mr. Adams asked Mr. Cox about tonight's reception. Mr. Cox replied that he could hear better at tonight's meeting than the previous one.

Ms. Huff asked about the Saturday leagues survey results. Mr. Blakeley stated 57 of 89 members expressed interest in playing on Saturdays. Ms. Huff stated that some of the ladies preferred Saturday leagues to Sunday. She stated that Mr. Harland suggested moving Saturday leagues to Sunday. Discussion ensued regarding starting a couples league, the Tuesday night event and golfing in groups.

FIFTEENTH ORDER OF BUSINESS

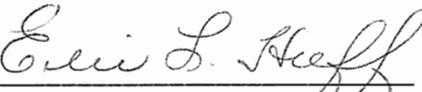
Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Blakeley and seconded by Mr. Brady, with all in favor, the meeting adjourned at 7:30 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair