

**MINUTES OF MEETING
STONEBROOK
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Stoneybrook Community Development District held a Regular Meeting on April 23, 2019 at 9:00 a.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 (via telephone)	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Dan Cox	District Counsel
John Vuknic	Golf Superintendent
Jeff Nixon	Golf Pro
Mark Grimmel	Egis Insurance and Risk Advisors
Lloyd Sebby	Resident and HOA Board Member
Terry Merrifield	Resident and HOA Board Member

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 9:04 p.m. Supervisors Huff, Harland, Blakely and Brady were present, in person. Supervisor DeBrino was not present at roll call.

SECOND ORDER OF BUSINESS

Public Comments: (5 Minutes)

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Q and A with Mark Grimmel, Egis Insurance and Risk Advisors

Mr. Grimmel introduced himself as President of Egis Insurance and Risk Advisors (Egis) and Director of the Florida Insurance Alliance (FIA), a public entity insurance trust currently providing insurance coverage to the District. He distributed the current insurance policy,

Premium Summary and responses to questions related to loss of claims. The questions, responses and comments were as follows:

➤ Question #1: The declining payment for interruption of service was because debris removal was not a coverable loss, as covered property was not damaged. Examples that would trigger interruption coverage were given, provided certain criteria were met.

Mr. Nixon asked why the District did not receive payment, since it had the same flooding conditions mentioned in Paragraph 2, under POINTS. Mr. Grimmel stated the District had not insured the fairways and greens.

Mr. DeBrino joined the meeting at 9:09 a.m., via telephone.

Mr. Nixon stated the CDD lost over \$300,000; this was to ensure that, going forward, the CDD has the type of coverage it needs, as the facilities could close if another catastrophic event occurred. Mr. Adams confirmed the December 2015 minutes indicated several insurance options, such as coverage for the golf course, crime, etc., were provided but the Board declined those coverages. Mr. Grimmel would provide another estimate for the necessary coverage.

➤ Question #4: Bridges and bulkheads were not covered under a non-named storm event because coverage was not included in the current policy; coverage could be added.

➤ Question #2: Removal and replacement of landscaping is an uninsurable event. Removal is not covered on items where damage originated from the CDD; it is only covered if an item originated from a resident's home and damaged CDD property. The Pro Shop owner's insurance should have covered the cost of debris removal, not the District.

➤ Question #3: Differences between a named and unnamed storm, wind storm and flooding events, what criteria triggers each, and the differences in deductibles were explained.

Mr. Nixon stated the \$150,000 deductible, offered for catastrophic losses, most likely, was the reason for turning down coverage when it was presented. Mr. Brady stated the \$150,000 deductible probably made no sense at that time, since the District's losses from Hurricane Irma were \$130,000.

In response to a question about the qualifications of the Egis and FIA insurance adjuster, Mr. Grimmel stated FIA engages McLaren's, an approved property adjuster through Lloyd's of London, which has adjusted a lot of property in Florida.

➤ Question #5: Mr. Grimmel provided the cost to insure the wall; however, he was unsure who owned Unit #9. Mr. Adams stated the Board should consider taking this off since the HOA

is responsible for maintaining it and works with Miromar, on shared costs. He would confirm with the HOA whether it needs to be removed. Mr. Grimmel stated, if the CDD does not own it, he would reimburse the CDD the costs from October, 2018.

➤ Question #6: Mr. Grimmel stated the cost to insure golf course property was about the same as in 2015 but that he must acquire updated figures from the Underwriter. The District could revise its policy anytime; coverage for tees and greens is 1 in 25-year event. He recommended setting aside reserve funds each year to cover deductibles or property loss. Ms. Huff stated the District would most likely consider changing its current policy.

FOURTH ORDER OF BUSINESS

Discussion/Update: Hurricane Irma Recovery

Mr. Adams stated payment was expected within the next couple of weeks.

FIFTH ORDER OF BUSINESS

Discussion: Final Lake Bank Project Report

Mr. Vuknic stated Mr. Adams' portion of the project was completed; however, minor erosion repairs at Lake 2, due to rain, were completed. The new aeration equipment and diffusers were all functioning but some might be relocated to a different area of the lake. There was a delay for power because the Village of Estero's Inspector was unaware of the need to notify Florida Power & Light (FPL), once he approved the permit; a response from FPL was pending.

SIXTH ORDER OF BUSINESS

Continued Discussion: Stoneybrook Landscaping Project

Mr. Harland stated there were no new updates.

SEVENTH ORDER OF BUSINESS

Continued Discussion: Bank Loan for Bunker Restoration

Mr. Adams stated the bank's Credit Committee was reviewing the District's revised \$300,000 loan for the golf course bunker restoration project. Although the Term Sheet would not be available for review until the next meeting, the Board must designate a backstop of \$68,000, in the Irrigation Fund, to cover one year of the principal and interest payments. Pre-

closing would occur after July 1st for funding on August 1st. Mr. Vucknic stated a site meeting was scheduled in two weeks and, if available, the contractor would start at the end of August.

EIGHTH ORDER OF BUSINESS**Staffing Changes**

Ms. Huff reported the following staff changes:

- Bobby Conway was promoted to First Assistant, as Josh accepted a position at The Hideaway, in Fort Myers.
- Ross Lalley was working more with the Junior Golf Program and Bobby Conway.
- John Vinsand was promoted to Assistant Superintendent, as Chris Pitts accepted a position at Golf at the Everglades.

Mr. Vuknic noted the education, certifications and experience of those promoted. Staff was working towards obtaining spray licenses to perform work in general areas of the preserve.

NINTH ORDER OF BUSINESS**Acceptance of Unaudited Financial Statements as of March 31, 2019**

Mr. Harland presented the Unaudited Financial Statements as of March 31, 2019.

On MOTION by Mr. Brady and seconded by Mr. Blakely, with all in favor, the Unaudited Financial Statements as of March 31, 2019, were accepted.

TENTH ORDER OF BUSINESS**Golf Course Staff Reports****A. Golf Superintendent**

Mr. Vuknic reported the following:

- Annuals expected to arrive Monday; the supplier was short 600; those were expected to arrive in late May, which coincides with when the project is expected to be completed.
- Pine straw would be installed the week of May 6th.
- Mulch was ordered; notification of the arrival date was pending.
- Notices for insect and herbicide spraying were sent.

Mr. Vuknic stated they were preparing for summer and budget preparations; chipping greens were expected to be repaired in the summer, when the course is closed.

The Board authorized Mr. Vuknic to purchase four keyless entry locks, for \$215 each, for the golf course bathrooms.

As requested, Mr. Vuknic would tour the area of the bathroom by the pier and determine whether to adjust the barrier rope, which was too low and a potential trip hazard, or plant something in the area. Mr. Nixon confirmed that a \$1,300 proposal to repair the fountain motor was obtained; however, repairs would not commence until October.

Mr. Brady distributed Mr. Simonsen's email about the unfavorable conditions of the Common area; he had informed the resident that a response was forthcoming and volunteered to work with Mr. Vuknic and Mr. Adams on a response.

B. Golf Pro

Mr. Nixon reported the following:

- April was exceptional; budgeted revenues were exceeded despite lost days.
- Compliments about the condition of the golf course continue.
- Point of sale (POS) changeover would commence on May 28th, while the course is closed for maintenance. He would work with Mr. Pinder on the coding issues.
- Sunday tee times were working well. Sunday discounts would continue through May.
- Junior Golf was going well and they are excited about Junior Camp this summer. Wednesday attendance, which is typically six to eight, jumped to 15, after Tiger Woods' match.
- Passion Foundation was donating shade at the far left hand side of the driving range by the 10th tee. They submitted the permit to The Village of Estero.
- A fundraiser Scramble would be held on May 11th to create a scholarship fund. Any child participating in Stoneybrook community activities could apply for the \$500 to \$1,000 scholarship for college. The scholarships would commence in 2020.
- The course would be closed on Mondays for maintenance, June 3rd to mid-September.
- A \$500 summer golf pass, with a \$20 cart fee, was being offered, not including a range membership.

Mr. Nixon expected to finish the summer strong, which would help offset the prior season's losses due to weather. In response to a question about the Chicago Group, Mr. Nixon confirmed they were returning this year; last year, they donated \$3,000 to the Junior Golf Program, of which, a portion would go towards the scholarship fund.

ELEVENTH ORDER OF BUSINESS

Approval of March 26, 2019 Regular Meeting Minutes

Ms. Huff presented the March 26, 2019 Regular Meeting Minutes. The following changes were made.

Line 89: Change "two Board Members" to "John Vuknic and Jeff Nixon"

It was confirmed the District is creating an additional position, for maintenance personnel to clean bathrooms, etc., effective October 1st.

Line 203: Change "turned" to "shot" and "Bell" to "Malkey"

Line 194: Change "Rudina" to "Rodino"

On MOTION by Mr. Harland and seconded by Mr. Brady, with all in favor, the March 26, 2019 Regular Meeting Minutes, as amended, were approved.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Dan Cox, Esquire*

Mr. Brady distributed several letters he received from a resident regarding the road noise on Corkscrew Road and asked about the CDD's obligations and whether other residents submitted similar complaints. The letters included a response from The Master Board that indicated they and the CDD could not resolve the issue but The Village of Estero (The Village) could; however, The Village stated they no longer build noise barrier walls. Discussion ensued regarding indications at The Village meeting that, once the road is widened the CDD would be in violation, as its trees have grown too tall and no longer help reduce noise and that the trees would need to be trimmed or replaced. As The Village was uncertain when Corkscrew Road would be widened, which would require the CDD to redo landscaping and address berm issues, the CDD was told not to do anything until then.

Mr. Terry Merrifield, a resident and HOA Board Member, stated 8,000 new homes were being built east of the District and, whatever the District does to resolve this issue, it would not be sufficient to reduce the truck noise, since traffic would increase. He counted 13 dump trucks in one incident; he recommended the Master Association and CDD petition the City to petition the County to move traffic away. Mr. Brady stated the roads were originally built for the mines.

Mr. Brady asked if, once the plans were finalized, the roadway permits would go to the County, State or The Village of Estero. Mr. Cox stated since it is a County road the CDD's lobbying efforts should be directed to the County Commissioners, and indicate that something must be done and ask if the CDD could piggy back off the County's contract. The CDD and HOA should plan, as a community, how to address this issue and involve the Lee County Department of Transportation (DOT) division in the discussions.

Mr. Sebbby would confirm an HOA quorum and agenda items with Ms. Huff and the CDD would prepare the agenda for the June 5, 2019 6:00 p.m., joint workshop to discuss traffic noise issues, budgets, etc. The workshop agenda would include, for discussion, Mr. Brady's suggestion of performing acoustical testing to prove the issue to the County. Mr. Adams stated the CDD could use the results as a reverse argument, if the results determine the noise level exceeds the State's measurements, which is used to determine where to build a wall.

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: April 23, 2019 at 9:00 A.M.

The next meeting will be held on May 28, 2019 at 9:00 a.m.

THIRTEENTH ORDER OF BUSINESS

Supervisors' Requests

Mr. Brady was concerned about the bathroom doors not automatically locking once the new keyless locking system was installed. Mr. Vuknic would confirm whether the door locks itself after leaving and, if not, he would purchase ones that lock. The first set of locks would be installed at problem locations between Holes #5 and #6, and so on.

Mr. Harland asked for a copy of the monthly actual round report and the year-to-date budgeted report.

FOURTEENTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Brady and seconded by Mr. Harland, with all in favor, the meeting adjourned at 10:45 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair