

**MINUTES OF MEETING
STONEGATE
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Stonegate Community Development District held a Regular Meeting on May 11, 2021 at 6:30 p.m., at the Malibu Bay Clubhouse, 1020 NE 34th Avenue, Homestead, Florida 33033.

Present at the meeting were:

Joe McGuinness	Chair
Alberto Eiras	Vice Chair
Mariela Figueroa	Assistant Secretary
Arthur Goessel	Assistant Secretary
Michael Granobles (via telephone)	Assistant Secretary

Also present were:

Daniel Rom	District Manager
Michael Pawelczyk	District Counsel
Victor Castro	UNUS Property Management

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Rom called the meeting to order at 6:37 p.m. Supervisors McGuinness, Figueroa, Eiras and Goessel were present, in person. Supervisor Granobles was attending via telephone.

SECOND ORDER OF BUSINESS

Public Comments: *non-agenda items*

There were no public comments.

THIRD ORDER OF BUSINESS

Consent Agenda Items

- A. Acceptance of Unaudited Financial Statements as of March 31, 2021**
- B. Approval of April 19, 2021 Regular Meeting Minutes**

Mr. Rom presented the Consent Agenda Items.

Discussion ensued regarding the greatly increased water consumption over the last three months. Mr. Castro described his ongoing efforts to determine the cause; a leak was suspected and a plumber was scheduled to evaluate the pool pumps and sprinkler system. Lack of rain, irrigation system age and lack of obvious turf soft spots were discussed. Regarding

whether to contact the City, Mr. Castro stated the City proactively notified the CDD about the consumption increase.

Mr. McGuinness stated the bill had a water and an irrigation service charge, indicating there are two meters; the increase was irrigation-related. Mr. Eiras reported that he observed broken and misaligned sprinkler heads. Ms. Figueroa stated that many Homestead residents complained about sudden, unusually high water bills. Mr. McGuinness felt that the cause was frequent irrigation, given the extremely green lawns, despite the very dry weather.

Mr. Castro agreed that sprinkler heads required attention. This was addressed with Armando Garcia Land Service, Inc., (AGLS) but landscaping services are only performed twice a month. A handyman may be able to address these quicker and more cost-effectively. Discussion ensued regarding the broken sprinkler head locations. Mr. Castro stated that, upon notification, AGLS repaired the sprinkler heads damaged by lawnmowers.

Mr. Rom thought there was a need to walk the property to evaluate leaks and take pictures. Mr. Castro stated the meter was shut off, in the presence of City water employees, and the water continued to run; however, they were unable to diagnose a leak without the irrigation system plans. Discussion ensued regarding obtaining the plans and the possibility of multiple leaks, on both the CDD and City sides.

On MOTION by Mr. McGuinness and seconded by Mr. Eiras, with all in favor, the Consent Agenda Items, as presented, were accepted and approved.

- **Discussion of Proposal: Addition of a Handyman to Property Management Agreement**
This item, previously Item 6A, was presented out of order.

Mr. Castro distributed a handout that described the general services a facilities maintenance person can provide, rather than hiring individual contractors for miscellaneous repairs. The proposal would add approximately \$64,000 to the UNUS Property Management Agreement for payroll, administration and materials; the cost savings for the District could be approximately \$100,000 annually. Mr. Castro stated, while plumbing and electrical work were beyond the scope of a handyman, significant savings would be realized by maintaining and repairing items, such as plumbing and electrical fixtures, and performing routine work in-house. Upcoming budgeted maintenance included roof cleaning, fence painting, fitness equipment maintenance, shower repair, tree and landscape trimming.

Mr. Granobles asked if materials and parts were included in the \$64,000. Mr. Castro stated parts and materials, such as paint, would be an additional cost to be billed separately and documented with receipts; a prioritized project list would be developed.

Ms. Figueroa supported the idea of a handyman but she would like to see, in the proposed Fiscal Year 2022 budget, where the savings would be realized, given the projected increase to assessments. Mr. Rom stated, if approved, the \$64,000 would be added to the proposed Fiscal Year 2022 budget and the projected repair costs in the budget would be removed or adjusted. Discussion ensued regarding avoiding duplicate items in the budget, keeping assessments as low as possible, which budgeted items might be reduced, potential annual cost savings of \$100,000, types of projects a handyman could address and potential reductions to budgeted amounts.

Mr. Pawelczyk asked when handyman services would go into effect, if approved. Mr. Castro anticipated it becoming effective at the beginning of Fiscal Year 2022. Discussion resumed regarding the budgeted expenses that might be reduced by bringing maintenance in house, including pool maintenance, pressure cleaning, painting, repairs and ongoing maintenance.

Mr. Eiras stated his support of a dedicated handyman so potential safety issues can be addressed as quickly as possible. Ms. Figueroa stated she would like a list of pending projects.

Ms. Figueroa noted that the AGLS contract does not expire until 2022 and asked if an increase was requested. It was Mr. Rom's understanding that AGLS requested an increase for Fiscal Year 2022. Discussion ensued regarding the request for a mid-contract price increase, scope of the AGLS contract and other line items for work completed by AGLS via separate bids.

Ms. Figueroa left the meeting briefly.

The meeting recessed briefly and then reconvened.

Mr. McGuinness stated that approximately \$200,000 would need to be cut from the proposed Fiscal Year 2022 budget to avoid an assessment increase. Discussion ensued regarding items added to the proposed Fiscal Year 2022 budget at the last meeting, reevaluating the target assessment level and the priorities. Mr. Pawelczyk stated tax revenues would not be received until January; therefore, he suggested that the handyman could begin in January, if necessary, to reduce or eliminate an assessment increase.

Mr. Goessel expressed support for hiring a handyman because of the benefits, including more rapid emergency maintenance and long-term cost savings.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2021-05, Approving a Proposed Budget for Fiscal Year 2021/2022 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date

Mr. Rom presented Resolution 2021-05. The Board discussed the proposed Fiscal Year 2022 budget, which included wish list items developed at the last meeting, with the goal of prioritizing projects and cutting expenditures to avoid increasing assessments. Mr. Pawelczyk stated the Board could consider reducing line items, such as "Total capital outlay", to enable the District to engage a handyman. Use of fund balance was discussed. Mr. Rom referred to Page 3 and noted that the "3 months working capital" amount was a calculation based on revenues and expenditures and the "Unassigned" fund balance amount was reduced to supplement the \$230,000 "Pool system upgrade" discussed at the last meeting. Mr. Castro stated the most recent quote for the pool system upgrade was \$125,000. Discussion ensued regarding including a contingency for this line item, an additional \$8,700 charge for the plans, extent of the upgrade and the suggestion to reduce the "Pool system upgrade" line item to \$175,000.

Regarding the "Landscape Maintenance" line item, on Page 2, Mr. Pawelczyk stated that Mr. Garcia requested a mid-contract increase that would increase the line item to \$86,578. Mr. Castro discussed the one-on-one personal service provided by ALGS and noted that Mr. Garcia stated he believed the request was fair, given that ALGS was offering the CDD discounted rates and had not raised its rates since 2008. Discussion ensued regarding the requested increase, increased cost of materials, need for a formal request and the possibility of a good faith increase.

Mr. Goessel noted several line items that could be lowered in order to hire a handyman. Discussion resumed regarding trimming the budget to avoid increasing assessments. Mr. Rom stated that additional savings might be realized by trimming the cost of proposals.

Regarding the "Wifi system upgrade" line item, on Page 2, Mr. Castro stated he received a considerably lower quote of \$30,000 for the camera and wifi system without an alarm. Although it is on the Fiscal Year 2022 budget, Mr. McGuinness felt that the access system is a priority and suggested it be addressed now, as it would eliminate the need for access cards. Mr.

Castro stated the upfront cost was \$5,600 and early pay discounts are available; the monthly cost is \$129. Mr. Castro stated a new Comcast contract offered increased speed and cost savings.

The following changes were made to the proposed Fiscal Year 2020 budget:

Page 3, "Pool system upgrade": Reduce "230,000" to "175,000"

Page 2: Change "Wifi System Upgrade" line item to "Wifi system upgrade + camera"

Page 2, "Wifi system upgrade + camera": Reduce "50,000" to "30,000"

Page 2, "Wall paint and repairs": Reduce "30,000" to "10,000"

Page 2, "Tree Maintenance": Reduce "39,120" to "10,000"

Page 2, "Landscape maintenance": Reduce "86,578" to "81,868"

Mr. Pawelczyk suggested noting that the Board was doing this as an act of good faith and stated a new AGLS proposal would be needed.

Page 2, "Irrigation Repairs": Reduce "6,000" to "3,000"

Page 2, "Playground maintenance": Reduce "3,000" to 1,500"

Regarding the "Pump maintenance/repair" line item related to the pump for the irrigation system contract, Mr. Rom would find out if any payments were made to Hoover.

Page 2, "Electrical repairs": Reduce "3,000" to "1,000"

Page 2, "Telephone": Reduce "7,200" to "3,500"

Page 2, "Clubhouse Mgmt": Increase "170,000" to "240,000"

Discussion ensued regarding the "Fitness equipment lease" line item. Then consensus was to hold off on a lease and have the handyman perform gradual cost-effective upgrades.

Page 2: Change "Fitness equipment lease" to "Gym maintenance" and change "7,000" to "5,000"

Page 2: Change "New access camera alarm system" to "New access" and change "55,200" to "5,600"

Page 2, "Pressure cleaning": Reduce "3,000" to "1,000"

Mr. Rom stated that a line item would be added for "New access yearly fee" for \$2,000.

The "General" line item, under "Capital Outlay", on Page 3, budgeted at \$60,000 for the ongoing 12-year lake bank erosion project, was discussed. Fiscal Year 2021 savings were due to economies of scale. Ms. Figueroa stated that many homeowners had concerns about erosion.

Mr. Pawelczyk stated the Board could direct the District Manager to return with a proposed Fiscal Year 2022 budget that reflects the changes made today, with input and

recommendations, and further budget adjustments may be made at the next meeting; however, any assessment increase must be added today. Discussion ensued regarding the need to reduce the budget by another \$20,000 to cover the cost of a handyman.

Mr. McGuinness suggested and the following change was approved:

Page 3, "General" line item, under "Capital Outlay": Reduce \$60,000 to \$30,000 and planning for Lake 5 to have the same lake erosion work done in Fiscal Year 2022 as was done on Lake 3 in Fiscal Year 2021.

Mr. McGuinness noted that the "Clubhouse renewal & replacement" fee was being accumulated for replacement of the Clubhouse roof, which was the most expensive repair that might be needed and it was not a planned expense but repairs would be done on an as-needed basis, when necessary. This change was accepted.

Mr. Pawelczyk stated that an assessment increase would eventually be necessary but this approach could postpone it to Fiscal Year 2023. He discussed options for borrowing funds in an emergency if contingency funds are insufficient.

Mr. Rom presented the remainder of the Fiscal Year 2022 budget and stated that the requested changes would be incorporated and be presented at the next meeting.

On MOTION by Ms. Figueroa and seconded by Mr. Eiras, with all in favor, Resolution 2021-05, Approving a Proposed Budget for Fiscal Year 2021/2022, as amended, and Setting a Public Hearing Thereon Pursuant to Florida Law for September 14, 2021 at 6:30 p.m., at the Malibu Bay Clubhouse, 1020 NE 34th Avenue, Homestead, Florida 33033; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2021-06, Designating Dates, Times and Locations for the Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2021-2022 and Providing for an Effective Date

Mr. Rom presented Resolution 2021-06. Discussion ensued regarding scheduling meetings on the second Monday of October and November, 2021 and January, March, May, June, August and September, 2022. A revised Fiscal Year 2022 Meeting Schedule would be presented at the next meeting.

A. Addition of a Handyman to Property Management Agreement

This item was discussed during the Fourth Order of Business.

B. Preventive Maintenance – RCR Plumbing Services Inc. Estimate #380

Mr. Castro stated that plumbing companies charge an hourly service charge for an estimate. This item would be removed from future agendas.

C. Access System Open Path – AT&I Proposal

Mr. Castro distributed a revised proposal with monthly service added; a lifetime warranty on the system was included and a prepay discount was available. Discussion ensued regarding features and functionality of the system, warranty, procedures for leases and suspensions, monitoring, policies, procedures, cost, budget, contract and term length. The consensus was to prepay for one year to receive the annual discount, at an approximate cost under \$6,000.

On MOTION by Mr. McGuinness and seconded by Ms. Figueroa, with all in favor, authorizing Staff to prepare an Agreement and authorizing the Chair to execute, was approved.

D. Quarterly HVAC Maintenance – Power Enterprise Corp. Estimate #0000181

Mr. Castro stated he was obtaining proposals from several other vendors. Discussion ensued regarding the need for maintenance.

On MOTION by Mr. McGuinness and seconded by Ms. Figueroa, with all in favor, authorizing Staff to obtain additional proposals and proceed with quarterly HVAC maintenance, in a not-to-exceed amount of \$1,250, was approved.

E. Fence Issue - Deliver and Install 84 3-Foot Purple Bougainvillea - Armando Garcia Land Service INC Estimate #1730

Mr. Rom recalled a fence in disrepair that crosses CDD boundaries and enters the Monterrey and Ventura communities. The fence was constructed by a homeowner who now refuses to maintain it and does not care if the fence is taken down. Mr. Pawelczyk stated it is unclear whether it is on CDD property. Ms. Figueroa expressed concern that Sonara's similar

request was denied and a decision on this would set a precedent. Whether the fence is needed, the fence location, who owns the property with the fence the importance of consistency, were discussed. Mr. Rom would email both parties to advise that the District will remove the entire fence, including portions on their property, and ask the parties to advise of any objections.

F. Pool System Upgrade - True Blue Pools Estimate #20-2153

Mr. Castro presented the True Blue Pools Estimate. Discussion ensued regarding the turnaround time. The consensus was not to pay \$1,000 for rush service.

On MOTION by Mr. McGuinness and seconded by Mr. Eiras, with all in favor, True Blue Pools Estimate #20-2153, in the amount of \$8,870, was approved.

G. Options for Royal Palms on Pool Deck - Unus Property Management, LLC

Mr. Castro presented the proposals. Removal of the trees to address safety issues was discussed. Mr. Rom would consult with the District Engineer to determine if the pool deck project can be approved with removal of the trees and whether the construction fund includes funds for tree replacement. This item was deferred to the next meeting.

SEVENTH ORDER OF BUSINESS

Consideration of Cost Increase to Landscape Maintenance Services Agreement

- **Armando Garcia Land Service, Inc., Landscape Maintenance Services Agreement Dated June 21, 2019**

Mr. Rom stated an updated proposal would be requested.

This item was deferred to the next meeting.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Operations Manager: *UNUS Property Management*

Mr. Castro reported the following:

- \$1,400 in rentals were scheduled and \$1,560 in rentals were scheduled through August.
- The fountain was repaired and working much better. Repair of the lights was pending.
- An incident occurred in which children were asked to leave. The Homestead Police Department would include the Clubhouse and Pool Deck as a detail in the future.

- Parts of the Americans with Disabilities Act (ADA) pool chair arrived and it was hoped that it would be in service this week.
- The AT&T/Comcast contract was renegotiated; speed was increased from 75 to 300 mbps, with a savings of \$40 per month.
- 28 palm tree lighting fixtures needed maintenance; a handyman would be able to repair 80% of the fixtures.
- Proposals were expected from several paver companies; all conducted a walkthrough but none have submitted an estimate yet.

B. District Counsel: *Billing, Cochran, Lyles, Mauro & Ramsey, P.A.*

Mr. Pawelczyk stated that Form 1, Statement of Financial Interests, is due on July 1, 2021. Form 1 should be received via mail this month and should be returned via mail or electronically.

Mr. Castro distributed a proposal for a CPR, first aid and AED certified pool attendant, for the same number of hours as a lifeguard, at a savings of \$9,000. Ms. Figueroa asked if unruly guests were a frequent issue. Mr. Castro stated it is a frequent issue and police have been called often. Children constantly jump in the pool, engage in horseplay in the restrooms and jump over the fence. Discussion ensued regarding access control and police presence serving as a deterrent. Mr. Castro stated one staff member would be added during the summer.

C. District Engineer: *Alvarez Engineers*

There being no report, the next item followed.

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

- **NEXT MEETING DATE: June 28, 2021 at 6:30 P.M.**
 - **QUORUM CHECK**

The next meeting would be held on June 28, 2021 at 6:30 p.m.

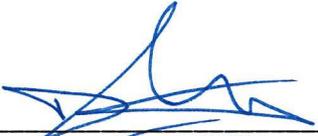
NINTH ORDER OF BUSINESS**Supervisors' Requests**

Mr. McGuinness asked if UNUS would hire another camp manager, since the previous camp manager resigned. Mr. Castro stated that he and his wife applied for the course to become certified C.A.M. managers. Discussion ensued regarding staffing and employment issues.

There being no further business to discuss, the meeting adjourned.

**On MOTION by Ms. Figueroa and seconded by Mr. Goessel, with all in favor,
the meeting adjourned at 10:10 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair