

**MINUTES OF MEETING
STONEGATE
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Stonegate Community Development District held a Regular Meeting on August 9, 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
Angel Camacho (via telephone)	District Engineer
Victor Castro	UNUS Property Management
Erica Avila	Councilwoman/Resident

Residents also present were:

Frank Fiore	Laura Welliver	Mr. and Mrs. Ogliastri
Arnaldo Sosa	Samuel Rodriguez	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Rom called the meeting to order at 6:34 p.m. Supervisors McGuinness, Eiras, Goessel and Figueroa were present, in person. Supervisor Granobles was attending via telephone.

SECOND ORDER OF BUSINESS

Public Comments: *non-agenda items*

Councilwoman and Malibu Bay resident Erica Avila provided the following updates:

- Traffic light project at the entrance of the community commenced but was now on hold because the central box was being relocated to the other side of Campbell Drive, to keep the walk ways unobstructed. The project was expected to be completed during this calendar year.
- The results of the traffic study done in front of Waterstone was pending and may result in adding a secondary traffic signal at that intersection. Both actions should help improve the traffic flow conditions and address safety.
- Currently coordinating with another CCD and HOA Presidents to tour the Police Department and the new library that just opened.

Councilwoman Avila would forward the invitation to Mr. Rom to circulate. The tour will be set for this month, on a Thursday at around 4:00 p.m.; for those unable to attend the first tour, a second one would be scheduled. The Police Chief would be available for a Q&A session, at which the CDD's current challenges with the Police Department can be discussed.

- Pool Permit: Being just apprised of the pool permit issues for back years, Development Services would provide her the information as to the quickest way to resolve this.

Councilwoman Avila discussed the City's upcoming budget and upcoming community improvements. She noted that approval was obtained to proceed with a boundary survey of the sports complex; the plans were to convert the area into various regulation-sized sport fields and facilities.

- The City was receiving \$20 million in COVID relief funds; however, there are constraints as to how the funds are spent, which was yet to be determined.

THIRD ORDER OF BUSINESS

Consent Agenda Items

Mr. Rom presented the following Consent Agenda Items:

- A. Acceptance of Unaudited Financial Statements as of June 30, 2021**
- B. Approval of June 28, 2021 Regular Meeting Minutes**

A Board Member noted the proposed Fiscal Year 2022 budget actual figures were through March 31, 2021. Mr. Rom explained that it was because the proposed budget was prepared in April.

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

FOURTH ORDER OF BUSINESS**Discussion/Consideration:****A. Update on Open Pool Permits**

Mr. Rom referred to the items in the agenda package, the July 27, 2020 email to the Board which explained why the Amenity Center Operations Manager notified everyone that the pool would be closed as they work through the permit issues, specifically the outstanding permits that were never closed out from the contracts dating back to 2006, 2014, 2016.

Mr. Rom and Mr. Castro explained the situation and discussed the following:

- Staff's actions to commence work but work was halted until the outstanding permits are resolved.
- Some but not all missing documentation was obtained from the City.
- Staff's efforts to resolve the issues within the City's Special Master's seven-day deadline.
- Staff discussed and thought it was best for the CDD to voluntarily close the pool to prevent the City from condemning it and imposing multiple fines.

In response to a question regarding the costs to resolve each issue, Mr. Castro stated that he was unsure. He opened a file for each outstanding permit, with the expectation that each Contractor holding the permit would finalize the permit and not bill the CDD for any additional costs but, if this is not so, the CDD would have to find a Contractor to execute the permit. True Blue Pools (TBP) charges \$150 per hour, which he believed is reasonable. Discussion ensued regarding the information missing for seven permits pertaining to the pool, closing out two of the other three municipal permits, Management's email request to the prior Property Management company for any backup documentation relating to the various projects, reopening the pool, keeping track of the costs in order to possibly hold the prior Property Management company liable, including verbiage in future contract requiring proof of permit close out before final payment to the vendor.

Mr. McGuinness motioned to approve the TBP costs, and requested Staff track costs and, pending on the outcome, provide to District Counsel to determine if the CDD would be

able to recoup District Counsel, Contractor and all other costs associated with resolving this issue.

Mr. Pawelczyk asked that TBP bill in six-minute increments and submit a timesheet describing each task, per permit. Discussion ensued regarding the new scope of work to bring in line with the current City code, possibility of opening the pool sooner if the electrical permit is closed out first, possibly giving homeowners a discount on assessments and scheduling a Special Meeting if further Board direction is needed.

Councilwoman Avila stated she would make sure the City submits information to the CDD as quickly as possible, so the pool can be opened sooner than expected. Mr. Castro was asked to submit weekly updates on the permit close outs to Mr. Rom to email to the Board and Staff.

Mr. McGuinness read portions of the TBP proposal and noted that it did not include the costs to transfer and close out the new permits.

On MOTION by Mr. McGuinness and seconded by Mr. Figueroa, with all in favor, engaging True Blue Pools for administrative services required to resolve the permit issues and to include timesheets for these services, at a cost of \$150 per hour but not-to-exceed \$5,000, and allowing for the proposal/contract to be terminated anytime on the direction of District Management, as stated and discussed, was approved.

The possibility of trying to have the uncooperative Contractor's license suspended through the Better Business Bureau or other various agencies to trigger them to finish the job, was discussed. It was suggested that Staff work with the City to develop the steps to open the pool and prepare a Memorandum of Understanding to prevent further delays and costs.

On MOTION by Ms. Figueroa and seconded by Mr. McGuinness, with all in favor, authorizing Staff to work with the City of Homestead to identify and proceed in specific steps to efficiently re-open the pool and for Mr. Pawelczyk to prepare a Memorandum of Understanding, provide a direct cost impact, subject to the Chair's review, and authorizing the Chair to execute, was approved.

Whether to increase the District Manager and Mr. Castro's spending limits to address repairs between meetings was discussed.

B. Updated Rental Agreement

Mr. Castro highlighted minor revisions to the Rental Agreement, which was distributed during the meeting. No Board action was necessary.

Because booked events were cancelled in the grill area and due to the pool closing, Mr. Castro conveyed resident requests to install a water slide in the grassy area outside the gate, near the pool. He presented a waiver for residents to execute releasing the CDD from any liability. Some Board Members voiced their concerns but agreed to proceed with the request, on a trial basis, to evaluate any long-term damage to the grass or potential tripping hazards.

C. District Engineer's Report on Capital Projects Fund 2020

Mr. Camacho presented the updated 2020 Capital Projects Report, discussed the status of each project and noted the City delayed the permit for the site plan modification until the outstanding permit issues are resolved.

As to the last-minute modification to remove the Royal Palms around the deck, he advised to obtain the zoning modification approval first, then proceed within any additional designs during the construction plan and permitting.

Mr. Rom indicated the \$33,000 budget deficit reflected the additional expense to remove the Royal Palms and asked the Board to review the scope of work and determine if any changes are possible to offset the deficit. He noted that Mr. Alvarez only provided the costs at the time of planning and expressed to him that he did not recommend installing littorals along the lake bank due to the soil condition.

Mr. McGuinness voiced his frustration about the District Engineer managing the project and not mentioning anything in the Engineer's Report about the soil condition until now or providing any recommendation, despite working on this for over a year. He asked Mr. Alvarez to provide Mr. Rom with an explanation of why this was not conveyed to the Board sooner, what he recommends for the area and the costs associated and design plans, within a week. Mr. Camacho stated he would give this information to Mr. Alvarez and provide a response today.

Discussion ensued regarding whether it would be cost-effective to submit landscape plans now or wait until later. Since they still need to submit plans and obtain permits for the drainage, Mr. Camacho proposed submitting the additional permit modifications to extend the pool deck at that time and noted there would be no added costs to wait. Because of the expired permit delay, the site plan modification was still in the Staff review phase within the Zoning Department.

FIFTH ORDER OF BUSINESS

Discussion/Consideration of Proposal(s)/ Agreement(s)

A. Plans for Pool System Upgrade (Update)

Mr. Castro discussed the results of his on-site meeting with the TBP Representative and a Hydraulic Engineer and presented an Agreement for the Hydraulic Engineer to prepare new hydraulic plans, which the Board approved.

B. First Amendment to Amenity Services Agreement (Summer Pool Attendant)

This item was a duplicate item. It would be presented during the Seventh Order of Business.

SIXTH ORDER OF BUSINESS

Ratification of Florida Pumps Solution Corp. Invoice #00271156 [\$3,910.00]

Mr. Rom presented the Florida Pumps Solution Corp., invoice to repair the main irrigation pump damaged by lightning.

On MOTION by Mr. McGuinness and seconded by Ms. Figueroa, with all in favor, the Florida Pumps Solution Corp. Invoice #00271156, to repair the main irrigation pump damaged by lightning, in the amount of \$3,910, was ratified.

SEVENTH ORDER OF BUSINESS

Ratification of First Amendment to Unus Property Management, LLC Amenity Services Agreement (Pool Attendant)

Mr. Rom presented the First Amendment to the Unus Property Management, LLC Amenity Services Agreement, which was updated to add pool attendant services to the scope of work, and approved at the last meeting. The services are effective June 29, 2021 through August 22, 2021. He stated that \$4,000 was spent out of the \$5,000 amount budgeted.

On MOTION by Ms. Figueroa and seconded by Mr. Granobles, with all in favor, the First Amendment to the Unus Property Management, LLC Amenity Services Agreement to add pool attendant services to the scope of work, effective June 29, 2021 through August 22, 2021, was ratified

EIGHTH ORDER OF BUSINESS

Consideration of Second Amendment to Unus Property Management, LLC Amenity Services Agreement (Handyman)

Mr. Rom presented the Second Amendment to the Unus Property Management, LLC Amenity Services Agreement, which was updated to add handyman services to the scope of work, and approved at the last meeting. The services would become effective October 1, 2021. Mr. Castro was interviewing candidates and would present a list of tasks at the next meeting.

Discussion ensued regarding designating small projects, such as painting the columns, not the entire building, prioritizing projects and Mr. Castro's lengthy interview process.

On MOTION by Mr. Granobles and seconded by Mr. Goessel, with all in favor, the Second Amendment to the Unus Property Management, LLC Amenity Services Agreement, to add handyman services to the scope of work, effective October 1, 2021, was ratified.

NINTH ORDER OF BUSINESS

Staff Reports

A. Operations Manager: *UNUS Property Management*

Mr. Castro distributed the following reports:

- I. Special Events Expense Budget Report**
- II. Pool/Fitness Report (With Number of Daily Users)**

The Board and Staff discussed the Report, against the number of homeowners registered to use the Clubhouse and Staff's actions addressing voluntary registration and obtaining homeowner information from the Master Association and addressing those that have not requested access. This process would take a few months to complete. A Board Member noted that Danielle posted a link on their website, sent an e-blast and plans to send another one to its residents about transitioning to key fobs for which registration is required. A suggestion was made to place registration forms on the tables during their Summer Blast event in Central Park.

Mr. Castro presented the Property Management Report and highlighted the following:

➤ About \$2,320 was collected from party rentals. Approximately \$4,800, which included last month's amount, was submitted today.

➤ 406 homeowners registered for mobile access and the constant contact list.

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

There was nothing further to report.

C. District Engineer: *Alvarez Engineers*

There was nothing further to report.

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

I. Update: Fiscal Year 2022 Proposed Budget

Mr. Rom read portions of the recent Allstate Resources Management (ARM) Mitigation Report notifying the District of a 5% increase for Professional Services, effective January 1, 2022, due to product and labor costs increasing. As a result, the proposed Fiscal Year 2022 budget would need to be updated. It was confirmed that ARM's contract stipulates for such requests in the middle of the contract period and ARM's dates do not align with the CDD's Fiscal Year. Mr. Rom was asked to relay the following options to ARM:

➤ The Board would consider the increase for Fiscal Year 2023, as the District already approved its proposed Fiscal Year 2022 budget.

➤ Or, if the Board agrees to the increase for Fiscal Year 2022, ARM must agree not increase costs for two years.

Mr. Rom presented an updated proposed Fiscal Year 2022 budget and the “Assessment Comparison” table, on Page 13, which reflected the objective to eliminate assessment levels increasing or keep the increase as close to zero as possible. He noted that, even if unassigned fund balance is used to offset the costs, there would still be a nominal assessment increase; however, this amount covered the entire 2022 Fiscal Year. The Board discussed the budget, possibly increasing assessments slightly to buffer the pool repair costs, various updates in the community and low reserve funds, possibility of lowering assessments for Fiscal Year 2023 and concerns about homeowner responses to an increase. It was noted that assessments were reduced last year. Mr. Rom would revise the proposed Fiscal Year 2022 budget and advertise accordingly.

On MOTION by Mr. McGuinness and seconded by Ms. Figueroa, with all in favor, authorizing Mr. Rom to amend the proposed Fiscal Year 2022 budget to zero out the forecasted fund balance deficiency of \$61,240, as noted on Page 3, and implementing an assessment increase to offset the deficiency amount, which was not to exceed more than \$60 per unit, was approved.

II. NEXT MEETING DATE: September 14, 2021 at 6:30 P.M. {Adoption of FY2022 Budget}

○ QUORUM CHECK

All Supervisors confirmed their in-person attendance, at the September 14, 2021 meeting.

TENTH ORDER OF BUSINESS

Supervisors’ Requests

Mr. McGuinness reiterated his earlier request that Mr. Rom email Mr. Alvarez’s weekly updates to the Board at the beginning of the week or notify the Board that they were not sent.

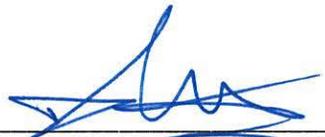
ELEVENTH ORDER OF BUSINESS

Adjournment

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

On MOTION by Ms. Figueroa and seconded by Mr. McGuinness, with all in favor, the meeting adjourned at approximately 8:44 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair