

**MINUTES OF MEETING
STONEGATE
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Stonegate Community Development District held Multiple Public Hearings and a Regular Meeting on September 14, 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
Mariela Figueroa	Assistant Secretary
Arthur Goessel	Assistant Secretary
Michael Granobles	Assistant Secretary

Also present were:

Daniel Rom	District Manager
Michael Pawelczyk	District Counsel
Juan Alvarez	District Engineer
Victor Castro	UNUS Property Management
Erica Avila	City of Homestead Councilwoman/Resident

Residents present were:

Angela Papili	Omaire Quintero	Patrick Pereyrz
S. Wilkerson	Francisco Lopez	Arnaldo Sosa
Maely Salas	Marlon Corea	Lucretia Corea
Osmany Yndart	Yanet Yndart	Anna G. Coward
Luis Becerra	Elvis Maldonado	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Rom called the meeting to order at 6:33 p.m. Supervisors McGuinness, Granobles, Goessel and Figueroa were present, in person. Supervisor Eiras was not present.

SECOND ORDER OF BUSINESS

Public Comments: *non-agenda items*

Resident Angelo Papili asked when the pool would be reopened. Mr. Rom stated this would be addressed during the meeting. Mr. Papili asked for the CDD to be sprayed for no-see-ums. Mr. McGuinness stated spraying on CDD property would be considered.

Councilwoman and resident Erica Avila encouraged Mr. Papili to call 311 to ask the County to spray for pests. She provided the following updates:

- Residents are invited to attend The City of Homestead’s upcoming budget talk; invitations were provided.
- The Malibu Bay traffic light is in process; an issue with underground utilities was being addressed and work was 50% complete.

THIRD ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2021/2022 Budget

A. Proof/Affidavit of Publication

The affidavit of publication was included for informational purposes.

B. Consideration of Resolution 2021-08, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2021, and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Rom reviewed the proposed Fiscal Year 2022 budget, highlighting any line item increases, decreases and adjustments, compared to the Fiscal year 2021 budget, and explained the reasons for any adjustments. He noted that the bulk of the assessment increase was due to the \$175,000 pool system upgrade.

On MOTION by Ms. Figueroa and seconded by Mr. McGuinness with all in favor, the Public Hearing was opened.

A resident asked if there was a breakout of expenses for the pool upgrade. Mr. Castro stated, while \$175,000 was budgeted for the project based on a proposal, it was expected that the final amount would be much lower. A final proposal would be drawn up after the Engineering work is completed. Mr. McGuinness stated the project would be discussed in detail at a future meeting. Mr. Rom stated an approximated not-to-exceed amount was utilized for budgeting purposes.

Resident Omaira Quintero asked about her unit’s assessment amount and the frequency of payment. Mr. Rom stated the CDD assessment is an annual amount. Mr. McGuinness discussed the Fiscal Year 2021 assessments and the upcoming Fiscal Year 2022 assessments and

noted that a \$65 to \$69 assessment increase, per unit, would appear on the tax bill. Ms. Quintero asked for information about the CDD. Mr. Rom stated he would provide his contact information and answer her questions personally, after the meeting or via telephone.

Resident Lucrecia Corea stated she did not understand the debt related to the assessment, given that homeowners also pay monthly maintenance. Mr. McGuinness discussed the CDD's responsibility for maintaining infrastructure for the whole community, for items such as lakes and pools, and the annual assessment billed in November on the property tax bills and collected by the Tax Collector. Ms. Corea expressed concern about the assessment increase. Mr. McGuinness stated, last year, assessment rates decreased approximately \$100 per home; for the upcoming year, assessments would increase by approximately \$69 per home, due to the need to address the antiquated pool equipment for the long term, which should result in a cost-savings and less downtime of the amenity. Discussion ensued regarding the multiple HOAs within the community, CDD operations and the benefits of the CDD.

Mr. Rom reiterated that the assessment increase of between \$65 and \$69 is for the entire year; it is not a monthly increase.

A resident voiced her opinion that, due to the difficult times, every line in the budget should be reviewed to reduce costs as much as possible.

Mr. Rom stated the Board has been reviewing the proposed Fiscal Year 2022 budget at great length over the last several meetings; the Board Members understand the current economic environment and the assessment increase was not decided upon lightly. A credit related to the refinance was issued to property owners last year, in the form of lower assessments, rather than directing those funds toward savings. A number of line items were reduced but the very necessary pool upgrade is the key reason for the increase; the pool issues need to be addressed. Once the upgrade is complete, activities may resume outside.

In response to a question regarding which entity manages pool activities and receives the \$70 rental fees, Mr. McGuinness stated those fees go to the Master HOA, which manages the Guardhouse, roadways and landscaping. The CDD maintains the Clubhouse, the storm drainage system and the lakes. CDD assessments are used to pay budgeted expenses, manage the Clubhouse and pay down the District's bonds.

A resident asked why monies coming in were not used for pool maintenance. Mr. McGuinness stated the pool has been maintained but longstanding permitting issues must be addressed; the CDD needs to maintain the pool to prevent it from being condemned causing

potentially significant legal costs to reopen the pool. It was hoped that the equipment upgrades would reduce ongoing pool maintenance costs. He recalled that the assessments were lowered in Fiscal Year 2021, after five years without an increase, and stated his long-term intention as CDD Chair is to have the pool fixed and upgraded, reduce interest and pay off the bonds and pay down bills, while maintaining the Clubhouse’s community benefit to residents.

Resident Anna Coward took issue with the Board and Staff saying the pool permitting issues were not known, given all the Staff and CDD oversight. She discussed past expenditures for projects, some of which she disagreed with due to the cost, and asked the Board to review the budget again to keep costs down to prevent an assessment increase. She took issue with the Clubhouse door being locked.

Ms. Figueroa stated Clubhouse and pool access information was provided at the Sonara meeting and was still being communicated to residents. The pool is closed for safety and permit issues. The permit issues are being rectified and the pool would reopen as soon as safely possible.

On MOTION by Mr. Granobles and seconded by Mr. McGuinness with all in favor, the Public Hearing was closed.

On MOTION by Mr. McGuinness and seconded by Ms. Figueroa, with all in favor, Resolution 2021-08, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2021, and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date.

FOURTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on the Imposition of Special Assessments for Operations and Maintenance for Fiscal Year 2021/2022, Pursuant to Florida Law

- A. Proof/Affidavit of Publication**
- B. Mailed Notice(s)**

These items were included for informational purposes.

- C. Consideration of Resolution 2021-09, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2021/2022; Providing for the Collection and**

Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mr. Rom reviewed the Assessment Tables, which matched those in the Fiscal Year 2022 budget that was just adopted. He presented Resolution 2021-09, which allows the CDD to collect the assessments adopted through the budget via the assessment rolls. Mr. Pawelczyk stated this Resolution levies assessments via the Property Appraiser and Tax Collector.

On MOTION by Mr. McGuinness, and seconded by Mr. Granobles with all in favor, the Public Hearing was opened.

A resident, speaking through a translator, stated he was not in agreement with the special assessment. In his opinion, the assessment should be decreased and not increased.

Mr. Rom stated the assessment increase would be approximately \$69 for the year.

Ms. Figueroa discussed the budgeting process and stated meetings are open to the public.

Mr. Rom stated the Meeting Schedule, budgets and other statutory requirements are posted online at www.Stonegatecdd.net, which is the CDD website.

A resident asked how payments can be made. Mr. Rom stated that payments are collected through the Tax Collector.

Ms. Coward stated that some residents do not have access to the internet and do not speak English.

Ms. Figueroa stated the Clubhouse is willing to print information for residents.

On MOTION by Mr. McGuinness and seconded by Mr. Granobles, with all in favor, the Public Hearing was closed.

FIFTH ORDER OF BUSINESS

Consent Agenda Items

Mr. Rom presented the following Consent Agenda Items:

- A. Acceptance of Unaudited Financial Statements as of July 31, 2021**
- B. Approval of August 9, 2021 Regular Meeting Minutes**

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

On MOTION by Mr. McGuinness and seconded by Mr. Granobles, with all in favor, allowing additional public comments, was approved.

Former City Councilman Mr. Elvis Maldonado stated he was speaking on behalf of a neighbor in Ventura who reported that the lakes seemed to be sinking. A Board Member had made him aware that the CDD is evaluating and addressing potential areas of erosion and he would like to give his neighbor an update, as his goal is to serve the community. He expressed support for the job the Board Members are doing and stated everyone shares the same goal of paying down the bond debt that the CDD “inherited” because, when the community was developed the CDD was formed to build the infrastructure the City could not build. He stated the reality is that everyone must deal with the extra “tax”. He expressed support for keeping expenses low.

Mr. Rom stated the District Engineer would address lake banks during his report, in conjunction with the Capital Outlay Project.

Ms. Coward asked for economical plantings to be utilized for lake erosion.

Mr. Rom stated that would be addressed during the Engineer’s Report.

Ms. Avila noted that some types of plantings are to improve water quality and to treat algae and others are installed to address erosion.

SIXTH ORDER OF BUSINESS

Discussion Items

A. Update: Open Pool Permits

Mr. Castro distributed a handout to the Board relating to permits and stated that the contractor was confident that an inspection of the pool lights could be scheduled once the Master Permit is approved and, subsequently, the pool could be reopened. In his estimation, the best-case scenario was within one week and, worst case, within one month. Outstanding permits and work remaining to be done were discussed.

B. Plans for Pool System Upgrade

Mr. Castro stated the Hydraulic Engineer hopes to have his plans completed within ten days and, once completed, a proper estimate could be provided.

C. Tasks Associated with Second Amendment to Unus Property Management, LLC Amenity Services Agreement (Handyman)

Mr. Castro presented a list of tasks the handyman would address. A calendar would be kept and progress updates would be provided. A handyman with experience as an Electrician Journeyman Apprentice was hired.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Operations Manager: *UNUS Property Management*

Mr. Castro distributed handouts, responded to questions and reported the following:

- Files in the file cabinet are being updated and stored digitally.
- Rental revenue since February totaled \$7,520.
- 701 contacts were entered into Constant Contact.

Mr. Castro presented a proposal from True Blue Pools (TBP), in the worst-case scenario that it is necessary to drain the pool and replace the pool lighting. LED lights would save 40% on electricity and last four to five times longer than standard bulbs.

On MOTION by Mr. McGuinness and seconded by Ms. Figueroa, with all in favor, True Blue Pools proposal #21-2271, in a not-to-exceed amount of \$8,659.36, contingent on the need for the stated repairs, was approved.

Mr. Pawelczyk stated TBP may provide an Amendment to the Agreement or include on the Proposal that the work is performed in accordance with the current Agreement.

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

There was nothing further to report.

C. District Engineer: *Alvarez Engineers*

Mr. Alvarez presented an exhibit and discussed the following:

- The Lake Water Quality and the Pool Deck Extension Projects were funded by bonds.
- The Water Quality Project was divided into the following three phases:
 - ✓ Planting along the lake banks was completed in Lake 3.
 - ✓ Wetland littoral shelf planting in the water in Lakes 3 and 5 was still pending.
 - ✓ Installation of aeration systems in Lakes 3 and Lake 5 was still pending.

- Plants provide biological filtration for runoff by picking up and absorbing fertilizer before it enters the lakes. Fertilizer contributes to algae blooms; severe algae blooms in Lake 5 led the District Manager to begin this project, which provides biological filtration and beauty.
- The pool deck project requires Site Plan Modification Approval (SPMA) from the City of Homestead. Because this community is a Planned Unit Zoning District, which does not have a full set of requirements like other zoning Districts, the design is more subjective and Developers submit plans to the City for approval. The CDD proposes extending the pool deck with zero setback to the property line. Approval from the City is needed prior to starting construction plans.
- Open permits were identified and construction was delayed because construction documents cannot be started without the SPMA.
- As currently proposed, the pool deck project is completely a Civil Engineering project with no landscaping and therefore does not require a Landscape Architect. While there may be interest in landscaping, it was not included in the original concept; keeping the plan as is until SPMA is received and reevaluating whether to add landscaping before applying for construction permits was suggested.

Mr. Alvarez reviewed estimated costs, actual costs and change orders and suggested waiting on the littoral shelf and aeration systems until the Clubhouse improvements are completed. Mr. McGuinness expressed concern because the report at the last CDD meeting seemed to state that the littoral shelf was not recommended, based on location, and stated the Board needs clarification but Mr. Alvarez clarified that the recommendation was to postpone the littoral shelf planting and the aeration project until the pool deck expansion project was completed.

Discussion ensued regarding the reports from Allstate Resource Management (ARM), water quality, how long the CDD could wait on aeration and estimated costs. Mr. Pawelczyk suggested asking Allstate whether it would be better to complete the aeration project before planting littorals, noting that, when the lakes were first built, they were full of littorals that have since died off.

Mr. Rom and Staff would request updated recommendations from ARM and ask for Mr. Castro and Mr. Alvarez to receive a monthly report.

Regarding Mr. Maldonado's question, Mr. Alvarez stated the water table in the CDD was lowest in May and highest in October and, while the average difference between high and low

elevation is 2' vertically given the side slope of the lakes, a reduction of 2' results in 8' of visible lake bottom. Mr. Maldonado voiced his opinion that it was unclear who is responsible for maintenance in some areas and residents expressed concern about drop-offs and ditches and liability for possible falls. He felt that it was unclear whether these were the result of erosion and thought there might be a need to mitigate or fill in some areas.

Discussion ensued regarding past areas of concern on Lakes 3 and 4. Mr. Alvarez stated that some features, such as swales and depressions, were installed to minimize fertilizer entering the lakes. Discussion ensued regarding large depressions possibly caused by lawn equipment and concerns that significant dips are not easily visible. Mr. McGuinness stated Mr. Castro would inspect the area to ensure the areas are maintained properly.

➤ Figures shown in the Construction account, in the exhibit Mr. Alvarez presented, may seem low as compared to the amount shown in the Balance Sheet in the agenda book because the billing for the second half of the project has not been submitted yet. The amount shown in the exhibit anticipates the receipt of the invoice from the landscape vendor.

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

- **NEXT MEETING DATE: November 2, 2021 at 6:30 P.M.**
 - **QUORUM CHECK**

Due to meeting room unavailability, the November 2, 2021 meeting would be canceled. The next meeting would be scheduled for October 18, 2021.

EIGHTH ORDER OF BUSINESS

Supervisors' Requests

There were no Supervisors' requests.

NINTH ORDER OF BUSINESS

Adjournment

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

On MOTION by Ms. Figueroa and seconded by Mr. Granobles, with all in favor, the meeting adjourned at approximately 8:23 p.m.


Secretary/Assistant Secretary


Chair/Vice Chair