

**MINUTES OF MEETING
STONEGATE
COMMUNITY DEVELOPMENT DISTRICT**

A Public Hearing and Regular Meeting of the Stonegate Community Development District's Board of Supervisors was held on Tuesday, December 19, 2017 at 6:15 p.m., at the Malibu Bay Clubhouse, 1020 NE 34th Avenue, Homestead, Florida 33033.

Present at the meeting were:

Erica Avila	Chair
Raider Ferro	Vice Chair
Joe McGuinness	Assistant Secretary
Noelle Franco-McKie	Assistant Secretary

Also present were:

Howard McGaffney	District Manager
Michael Pawelczyk	District Counsel
Juan Galo	Clubhouse Manager
Martha Agudelo	Gapa Property Management Corp.
Andrea King	Resident
Arnoldo Sosa	Resident
Francisco Lopez	Resident
Hector Otero	Resident
Brenda Lyons	Resident
Kodvar Nunez	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. McGaffney called the meeting to order at 6:20 p.m. Supervisors Avila, Franco-McKie and McGuinness were present, in person. Supervisor Ferro was not present at roll call. Supervisor Daniel was not present.

SECOND ORDER OF BUSINESS

Public Comments: *non-agenda items*

Ms. Andrea King, a resident, reported that a neighbor's vehicle was recently vandalized and voiced her opinion that Security was negligent, as anyone with a driver's license was allowed into the community, even if residents did not call ahead. Ms. Avila stated that responsibility for Security fell on the Master Association for Malibu Bay. CDD Board Meetings generally focused on the Clubhouse and maintenance of the facilities and lakes. She

recommended that Ms. King confer with Mr. Arnoldo Sosa, a Master Association Board Member, about Security issues within the community.

THIRD ORDER OF BUSINESS

Public Hearing to Hear Public Comment and Objections to Proposed Amendments to the Club Malibu Bay Rules and Regulations

A. Affidavits of Publication

- **Notice of Rule Development**
- **Notice of Rule Making**

Mr. McGaffney presented the affidavits of publication for today's Public Hearing. A list of the proposed changes to Club Fees and Charges was included.

Ms. Avila referred Resolution 2018-05, behind Tab 4, and asked if the items stricken were being removed and the unlined items were being added. Mr. Pawelczyk replied affirmatively; however, entirely new sections were not underlined. The addition of the Barbecue Pavilion area prompted Management to re-examine the rules and formulate other changes that were deemed appropriate. Sections 1 through 14 included all the changes to the Rules and Section 14, on Page 6, was not underlined because it was an entirely new Section relating to the Barbecue Pavilion and the North Terrace. Section 16 contained a few additions to the Rate Schedule, including "After Hours Club Event Rental" and the "Non-Exclusive ("Limited") Use of BBQ Pavilion Grill".

*****Mr. Ferro arrived at the meeting at 6:27 p.m.*****

Mr. Pawelczyk stated that none of the provisions were out of the ordinary or adverse; there was nothing overly restrictive and the goal was to ensure that the facilities were serviceable for residents. Ms. Avila stated that the procedure placed accountability on the resident and on the Board to ensure that logs were kept and that there was follow up. Issues could be quickly identified and corrected; however, it would be trial and error for a while. Mr. Pawelczyk stated that, when the Rules were initially adopted, the Board acknowledged that adjustments would be necessary, once people's habits were apparent and with the addition of the pavilion and grill, and the process would eventually be repeated. Mr. McGuinness requested an update on the Non-Exclusive use of the BBQ Grill. Mr. Galo stated that, since the hurricane, there was very little use of the BBQ Pavilion/Grill and, prior to the hurricane, it was manageable, albeit hectic during the summertime. Mr. McGuinness asked about the tracking of additional liability for events that

serve alcohol. Ms. Avila stated that the liability insurance requirement was reduced from \$300,000 to \$100,000, which was the common amount on a homeowner’s insurance policy. Mr. Pawelczyk stated, if a renter hired a company, to bartend, they must submit a Certificate of Insurance (COI) showing that the CDD was an additional insured or, if utilizing a personal policy or homeowner’s policy, the renter must have an alcohol rider, which would be on the COI along with the CDD’s name.

******Mr. McGaffney opened the Public Hearing.******

No members of the public spoke.

******Mr. McGaffney closed the Public Hearing.******

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2018-05, Amending and Modifying The Club Malibu Bay Rules and Regulations to Revise, Clarify, and Update Section 2.5, Entitled “Smoking”; Section 3.5 Entitled “Parking Areas,” Section 5, Entitled “Obligations to Pay Club Assessments and Dues,” Section 6.1 Entitled “Basis for Suspension,” Section 7.8.2 Related to Food and Beverages in the Pool Area, Section 7.12 Entitled “Alcoholic Beverages at Pool,” and Section 7.13 entitled “Smoking at Pool;” Deleting Section 8.6 Entitled “Cancellation Policy” as it Applies to the Fitness Center; Creating a New Section 9, Entitled “BBQ Pavilion and North Terrace,” Providing for Certain Rules and Policies Pertaining to the Use and Rental of the BBQ Pavilion and North Terrace at Club Malibu Bay; Providing for the Renumbering of Sections of the Club Rules; Amending the Club Dues, Fees and Charges to Address the Use of the BBQ Pavilion and North Terrace, Provide for After Hours Club Rentals, and Remove References to Amenities No Longer Available; Authorizing District Staff to Take Certain Actions Consistent with the Adoption of this Resolution Amending the Club Rules and Club Dues, Fees, and Charges; and Providing for an Effective Date

Mr. McGaffney presented Resolution 2018-05.

On MOTION by Ms. Franco-McKie and seconded by Mr. Ferro, with all in favor, Resolution 2018-05. Amending and Modifying The Club Malibu Bay Rules and Regulations to Revise, Clarify, and Update Section 2.5, Entitled "Smoking"; Section 3.5 Entitled "Parking Areas," Section 5, Entitled "Obligations to Pay Club Assessments and Dues," Section 6.1 Entitled "Basis for Suspension," Section 7.8.2 Related to Food and Beverages in the Pool Area, Section 7.12 Entitled "Alcoholic Beverages at Pool," and Section 7.13 entitled "Smoking at Pool;" Deleting Section 8.6 Entitled "Cancellation Policy" as it Applies to the Fitness Center; Creating a New Section 9, Entitled "BBQ Pavilion and North Terrace," Providing for Certain Rules and Policies Pertaining to the Use and Rental of the BBQ Pavilion and North Terrace at Club Malibu Bay; Providing for the Renumbering of Sections of the Club Rules; Amending the Club Dues, Fees and Charges to Address the Use of the BBQ Pavilion and North Terrace, Provide for After Hours Club Rentals, and Remove References to Amenities No Longer Available; Authorizing District Staff to Take Certain Actions Consistent with the Adoption of this Resolution Amending the Club Rules and Club Dues, Fees, and Charges; and Providing for an Effective Date, was adopted.

Mr. Pawelczyk stated that this version would be used to create the new, updated Rules, which will be posted on the CDD website and circulated, if not this week, after the New Year.

FIFTH ORDER OF BUSINESS

Approval of Unaudited Financial Statements as of October 31, 2017

Mr. McGaffney presented the Unaudited Financial Statements as of October 31, 2017. Mr. Ferro asked if the buildings sustained any structural damage. Mr. Galo replied that trees sustained the most damage, the BBQ area ceiling fans were damaged, the entrance columns sustained minor damage and several palm trees had to be straightened; all in all, nothing major.

On MOTION by Mr. McGuinness and seconded by Mr. Ferro, with all in favor, the Unaudited Financial Statements as of October 31, 2017, were approved.

SIXTH ORDER OF BUSINESS**Approval of Minutes****A. July 18, 2017 Regular Meeting****B. October 6, 2017 Rescheduled Public Hearing and Special Meeting**

Mr. McGaffney presented the July 18, 2017 Regular Meeting and October 6, 2017 Rescheduled Public Hearing and Special Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION by Ms. Avila and seconded by Ms. Franco-McKie, with all in favor, the July 18, 2017 Regular Meeting and October 6, 2017 Rescheduled Public Hearing and Special Meeting Minutes, as presented, were approved.

SEVENTH ORDER OF BUSINESS**Open Items**

Mr. McGaffney stated that the only open item was the video surveillance, which would be re-instituted. Mr. Galo would obtain an updated proposal from US Security Associates, Inc. (USSA). In reviewing the Tyco Integrated Security (Tyco) Agreement with District Counsel, it was found that the very bottom of the "Additional Terms" sheet contained a 30-day termination clause and the Board could opt to terminate immediately; however, it would be best to hold off until an updated proposal was obtained. He recommended that District Counsel prepare an Agreement with USSA, for presentation and consideration, in substantial form, at the March meeting. Management would then forward a 30-day termination notice to Tyco. Mr. McGuiness questioned why there should be a wait to terminate the Agreement, if Tyco was not servicing the community. Mr. McGaffney explained that, if Tyco provided any service and even if only for repairs, based on their monthly agreement, it would not make much of a difference; therefore, it was best to defer sending the termination notice until after the next meeting. Discussion ensued regarding the Tyco Agreement, billing, other vendors, proposals, security cameras and a termination time frame. Mr. Galo would secure an updated USSA proposal and forward it to Management and District Counsel. Mr. McGuiness motioned to terminate the Tyco Agreement. Further discussion ensued. The motion died for a lack of a second. Mr. Pawelczyk would draft the Agreement for presentation and consideration at the March meeting. The termination letter was already prepared and could be sent so that termination would be effective by April 20.

EIGHTH ORDER OF BUSINESS**Staff Reports****A. Clubhouse Manager**

Mr. Galo presented the Clubhouse Report, dated December 7, 2017 and highlighted the following items:

- There was a lot of interest in renting the Clubhouse for private events and there was already one reservation for April
- The fountains were a big draw for wedding parties and there were requests for a small, temporary pergola, for picture taking

Ms. Avila stated that the budget was tight and there was no room for anything that was not budgeted. Mr. McGaffney explained that, when the budget is prepared, certain revenue was anticipated, including assessments, and total revenues are used to pay expenditures; any expenditures greater than the revenues received, would either be covered by Fund Balance or the assessment would have to be increased. Ms. Avila believed that revenues generated from facility rentals were earmarked for improvements related to the facilities. Mr. Galo asked about a procedure and whether the District could accommodate a renter that wanted to shut down the Clubhouse at a certain time, earlier than the regular closing time, for a private event. Mr. Pawelczyk stated that was a policy decision but there were other factors to consider, such as costs and whether it was a premium rental. Ms. Avila stated identifying the value entailed calculating how many people would be inconvenienced and converting that into dollars and suggested researching how neighboring facilities managed similar requests. Mr. Galo stated that the previous wedding held at the facility was a success and the CDD received favorable feedback from the renters.

B. District Counsel

There being no report, the next item followed.

C. District Engineer

There being no report, the next item followed.

D. District Manager**i. NEXT MEETING DATE: March 20, 2018 at 6:15 P.M.**

Mr. McGaffney stated that the next meeting will be held on March 20, 2018 at 6:15 p.m., at this location. The following items would be on the next agenda:

- A previously-approved aerator proposal and an update
- Hook-up proposal from All Electric, Inc., for the aerators

- Fiscal Year 2019 capital plan examining District’s needs, wants and requests, in correlation with the budget
- Ratifications of emergency actions by the Chair and District Manager regarding the hurricane and fund expenditures to replace landscaping and pay for tree debris removal
- The Tyco termination letter and selection of video surveillance equipment

Ms. Avila asked if the Board previously approved shade replacement for the playground. Mr. McGaffney stated that it was in the Capital Plan and would be addressed at the next meeting; Mr. Galo would obtain proposals. Ms. Avila asked Mr. Galo to work with Management to identify how much revenue the facility rentals generated in Fiscal Year 2017/2018.

NINTH ORDER OF BUSINESS

Supervisors’ Requests

Ms. Avila stated that pointed out deficiencies in the gym to Mr. Galo. Mr. Galo stated that the maintenance items, such as the towel holder, would be repaired and the present focus was on the mat and walls.

TENTH ORDER OF BUSINESS

Adjournment

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

On MOTION by Ms. Avila and seconded by Ms. Franco-McKie, with all in favor, the meeting adjourned at 7:14p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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Secretary/Assistant Secretary

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Chair/Vice Chair