

MINUTES OF MEETING
STONEBROOK SOUTH
COMMUNITY DEVELOPMENT DISTRICT

The Regular meeting of the Board of Supervisors of the Stoneybrook South Community Development District was held Monday, August 3, 2020 at 10:00 a.m. via Zoom Teleconference.

Present and constituting a quorum were:

Basan Nembirkow	Chairman
Robert DiCocco	Vice Chairman
Patricia Newberry	Assistant Secretary
Chris Manjourides	Assistant Secretary

Also present were:

George Flint	District Manager
Vivek Babbar	District Counsel
Dave Reid	District Engineer
Alan Scheerer	Field Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order, all four Board members were present via Zoom, constituting a quorum. We added organizational matters to the agenda. We received resignation from Mike Wilson. He has moved from Stonebrook South CDD to Stoneybrook South of ChampionsGate therefore he can no longer serve on the Board.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: This is a public meeting, because of COVID19 the Governor issued an executive order that allows government entities to hold meetings without a physical quorum present and we are using technology to hold these meetings remotely. We did advertise the Zoom link and information in a legal ad on our website in the agenda. We do have some members of the public on, and we do allow public comment at the beginning of the meeting. This would be your opportunity to provide comment to the board on anything on the agenda or not on the agenda you'd like to bring to the Board's attention. We will have a public hearing on the budget adoption so there will be an opportunity at that point if you have comments on the budget to

provide it under the public hearing. Are there any public comments? There is a raise hand function on Zoom that you can click that will let us know you want to comment, or you can simply unmute and provide the Board comments at this time. Seeing no raised hands, we will move on to the next item.

THIRD ORDER OF BUSINESS

Organizational Matters – Added

A. Acceptance of Resignation of Mike Wilson

Mr. Flint: We have the acceptance of the resignation of Mike Wilson. Is there a motion to accept Mike's resignation?

On MOTION by Ms. Newberry, seconded by Mr. DiCocco, with all in favor, the Resignation of Mike Wilson, was accepted.

B. Discussion of Process of Filling Vacancy in Seat #1 with a Term Ending November 2020

Mr. Flint: Anytime there is a vacancy on the Board during the term of office for the Board member, the remaining Board members appoint a replacement. Are there any nominations at this time to fill the vacancy? If not, we can leave this on for the next agenda for the Board's consideration.

Mr. Nembirkow: Let's leave it for the next agenda.

Mr. Flint: This vacancy, Mike's seat, is actually up in November. No one qualified to run for that seat, so if you appoint someone between now and November the term will expire in November and you can re-appoint that person or someone else at that point. The first meeting after November, you'll be considering appointing someone to that seat again. We will carry that item over to the next agenda if there's no objection to that.

FOURTH ORDER OF BUSINESS

Business Administration

A. Approval of Minutes of the June 1, 2020 Meeting

Mr. Flint: Did the board have any comments or corrections to the June 1, 2020 minutes? Hearing no changes, I would ask for a motion to approve the minutes.

On MOTION by Ms. Newberry, seconded by Mr. Nembirkow, with all in favor, the Minutes of the June 1, 2020 Board Meeting, were approved.

B. Consideration of Check Register

Mr. Flint: The check register was included in your agenda for May 27th through July 27th. This is for the General Fund and Board pay. The total is \$194,063.82. Did the Board have any comments or questions on the check register? If there are no questions, is there a motion to approve?

On MOTION by Ms. Newberry, seconded by Mr. Manjourides, with all in favor, the Check Register totaling \$194,063.82, was approved.

C. Balance Sheet and Income Statement

Mr. Flint: You have the unaudited financial statements through June 30, 2020. There is no action required by the Board, but if you have any questions on the financial statements we can discuss those. I think we discussed in the last meeting that our reclaimed water is over budget significantly and we have been working to get that under control. We had a dry winter and the landscape contractors were running the irrigation more often than we would like. Alan, I think you had conversations with them?

Mr. Scheerer: We did. We met on-site with Down to Earth and their team and they were getting some direction as well from Icon. So, there was some confusion. They were running the water about seven days a week on the Boulevard due to the rotors situation out there where they water the entire Boulevard with rotors from the back of the curb by the sidewalk. We are also working towards future renovation of that particular irrigation system to where we can put up sprays and not have to run so much water to try and get these area wet. In my opinion, the configuration needs to be changed. Down to Earth is sending out emails when they need to run more than what's allotted, the two to three days a week if we are getting a drought and we are having some stress they do send emails out to everybody now. So, everybody's on the same page, but it's not running freely seven days a week like it was in the past.

Mr. Flint: The other thing you will note in here is the fountains that were constructed they have been booked to fountain repair and maintenance. So, that kind of blew that line out. If it wasn't for the fountains that you all approved, you would be overall under budget at this point versus your prorated budget. Even though your reclaimed is over, I still think overall you are in good shape on your budget. Are there any questions on the financials?

Mr. Manjourides: I have a question on the annual mulching. We don't have to pay that anymore?

Mr. Flint: It's now included in the base contract. When we bid out landscaping, we built it in.

Mr. Manjourides: So, it's going to be zero all the time now?

Mr. Flint: Yes, if you notice on the next year's budget, you will see zero in the mulch line item for 2021. If there are no other questions on financials then we will move on to business items.

FOURTH ORDER OF BUSINESS

Business Items

A. Review and Acceptance of Fiscal Year 2019 Audit Report

Mr. Flint: The CDD, as a government entity, is required to have an independent annual audit performed. There's a process in the Statutes that you all had to go through to select your independent auditor and you selected Berger Toombs. They prepared the audit; it has been transmitted to the state of Florida. It was required to be transmitted by the end of June. The management letter starts on page 32, it shows that there are no findings and recommendations for the current or prior year. They found that we met all the conditions they are required to review by the Auditor General of the state of Florida. It is a clean audit and has been completed. Are there any questions on the audit? If not, is there a motion to accept the audit and ratify it's transmission to the State of Florida?

On MOTION by Ms. Newberry, seconded by Mr. Nembirkow, with all in favor, the Fiscal Year 2019 Audit Report, was accepted and the transmission to the State of Florida, was ratified.

Ms. Newberry: Just a quick question. How long is the contract with Berger?

Mr. Flint: I'm not sure if it was three or five years when we selected Berger. Historically, it has been three years. We started doing it for five. However, you enter into annual letters to them, so if you desire to make a change you can do that. You don't have to wait until the end of three or five years.

Ms. Newberry: No problem. I was just curious.

Mr. Flint: Okay.

B. Public Hearing

i. Consideration of Resolution 2020-03 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations

Mr. Flint: You all approved a proposed budget in the spring, and you set today as the date, place and time for the public hearing for its final consideration. We will go ahead and open the public hearing. You have Resolution 2020-03 in your agenda and attached to that is the proposed budget for Fiscal Year 2021, which starts on October 1st. The primary change in this budget, you'll note again is the reclaimed water. We've increased that number and we've used fund balance to balance that reclaimed water number, but we are hoping that we'll be able to bring that number back under control and down to the extent we can bring that number down closer to where we are with the current year. We'll just utilize the last fund balance to balance the budget. We are recommending the per unit assessment amounts remain the same as they were in the current year and you see those listed at the bottom of page 1. Are there any questions on the budget? Do we want to take public comment first and then bring it back to the Board?

Mr. Nembirkow: Public comment first.

Mr. Flint: This is a Public Hearing so we we'll go ahead and open the floor to any public comment. We do have a few members of the public on, if anyone has comments or questions regarding the Fiscal Year 2021 budget now would be an opportunity to provide those. I'm not hearing any comments, so we will bring it back to the Board. We've go Resolution 2020-03 and the attached budget. Any direction from the Board on the budget? If not, is there a motion to approve Resolution 2020-03?

On MOTION by Ms. Newberry, seconded by Mr. Manjourides, with all in favor, Resolution 2020-03 Adopting the Fiscal Year 2021 Budget and Annual Appropriations, was approved.

ii. Consideration of Resolution 2020-04 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Flint: This next item is still part of the Public Hearing this is the Resolution that imposes the annual assessments that are associated with the budget you just adopted. There are two exhibits attached to this Resolution. One is the budget you just approved and the other is the Assessment Roll with all the properties within the District and the amount of the assessment for each property. Are there any comments from the public on the assessment resolution? Hearing no comments, we will bring it back to the Board. Any questions or comments from the Board on the Resolution? If not, is there a motion to approve Resolution 2020-04?

On MOTION by Mr. DiCocco, seconded by Ms. Newberry, with all in favor, Resolution 2020-04 Imposing Special Assessments and Certifying an Assessment Roll, was approved.

Mr. Flint: We will close the Public Hearing and move on to the next item.

C. Consideration of Termination of Lerner Reporting Services, Inc. as Dissemination Agent

Mr. Flint: There is no back up in the budget, but you currently have an agreement with Lerner Reporting Services to serve as the District's Dissemination Agent. When the Bonds were issued by the District, there is something called a Continuing Disclosure Agreement. That is an agreement between the Trustee and the District that obligates the District to meet certain reporting requirements. To do that, you engage what's called a Dissemination Agent. The responsibility of the Dissemination Agent is to file the reports required under that Continuing Disclosure Agreement and also in accordance with Security and Exchange Commission Rule 15CQ-12B5. So, there's not only the obligation under the Continuing Disclosure Agreement there's also an obligation under the SEC that certain reports be filed. We are suggesting the Board consider terminating that agreement and then retaining GMS to provide the Dissemination Agent Services. We are proposing a fee that's \$1,500 less than what Lerner is charging. Their current agreement is \$6,500 and our proposal is \$5,000. We do serve as Dissemination Agent for most of the Districts that we manage. In this case, Lerner was in place before we were hired. It's the Board's option as to whether you want to terminate them and hire us at a \$1,500 savings. Are there any questions? If not, is there a motion to terminate Lerner Reporting Services?

On MOTION by Mr. DiCocco, seconded by Ms. Newberry, with all in favor, Termination of Lerner Reporting Services, Inc. as Dissemination Agent, was approved.

D. Consideration of Proposal from GMS-CF, LLC for Dissemination Agent Services

Mr. Flint: Next is the agreement with GMS to provide those services. Again, this is a reduction in cost of \$1,500 for the District annually. This agreement points back to the Continuing Disclosure Agreement and it points to the SEC Rule as far as what our obligations are under this agreement. Are there any questions on the proposal? If not, is there a motion to approve it?

Ms. Newberry: We will save money?

Mr. Flint: Yes and it's actually easier because we provide the information to Lerner for them to file the report so, it's a little bit more streamlined.

On MOTION by Mr. Nembirkow, seconded by Ms. Newberry, with all in favor, the Proposal from GMS-CF, LLC for Dissemination Agent Services, was approved.

E. Consideration of Agreements with LLS Tax Solutions, Inc. to Provide Arbitrage Rebate Calculation Services for the Series 2013 & 2014 Bonds

Mr. Flint: Item E has two agreements with LLS Tax Solutions, these are to provide Arbitrage Rebate Calculation Services. The IRS requires that the District prepare an arbitrage rebate calculation to be reported indicating that we are earning less interest than we are paying. LLS Tax Solutions has provided that in the past. There are two agreements because there are two bond issues. Each agreement is \$550 for a total of \$1,100 annually between the two. It is consistent with what your budget is for these services and we would recommend approval. Any questions on the agreements? If not, is there a motion to approve the agreements with LLS Tax Solutions, Inc.?

On MOTION by Ms. Newberry, seconded by Mr. Nembirkow, with all in favor, the Agreements with LLS Tax Solutions, Inc. to Provide Arbitrage Rebate Calculation Services for the Series 2013 & 2014 Bonds., was approved.

F. Presentation of Arbitrage Rebate Report – Series 2013

Mr. Flint: Next you have the report for the Series 2013 Bonds that was prepared for the current year by LLS Tax Solutions. It indicates a cumulative negative rebate requirement of \$304,665.68. It indicates we do not have an arbitrage issue. Any questions on the report, if not is there a motion to accept it?

On MOTION by Ms. Newberry, seconded by Mr. Manjourides, with all in favor, the Arbitrage Rebate Report for Series 2013, was approved.

G. Approval of Fiscal Year 2021 Meeting Schedule

Mr. Flint: Each year the Board is required to set an annual meeting schedule. Typically you do that at the meeting you adopt your budget. We've prepared a proposed Fiscal Year 2021

meeting schedule which would follow your current practice of meeting on the first Monday of the month in the six months that are indicated there in the agreement. That would be October, December, February, April, June and August. You can change the frequency, the date, and the time at the Board's discretion. If you are comfortable with the current time, dates, and location then this notice would be consistent with that. Any question on the proposed notice?

Mr. Nembirkow: It's worked so far, I'm pretty comfortable with it.

On MOTION by Mr. Nembirkow, seconded by Ms. Newberry, with all in favor, the Fiscal Year 2021 Meeting Schedule, was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Flint: Vivek is on, do you have any report?

Mr. Babbar: No report since the last Board meeting, but I can answer any questions if there are any.

Mr. Flint: Any questions for District Counsel? Hearing none,

B. District Engineer

Mr. Flint: Dave Reid, do you have anything for the Board?

Mr. Reid: I don't have anything to report this week.

Mr. Flint: Okay, are there any questions for the Engineer?

Mr. Manjourides: I have a couple, of course. The roadway on Oasis Boulevard, that's ours, right? We pay for that? Is there anything wrong with it? There's a portion of the road that is starting to deteriorate, it's an indentation about 20 feet long. Do we repair that if it needs to be repaired?

Mr. Reid: Let me see. No, that's HOA, it's a private road.

Mr. Manjourides: We own the sidewalks, but we don't own the roadway?

Mr. Flint: Right. We maintain the landscaping. There is separate tracts for the sidewalks and the landscaping.

Mr. Manjourides: It looks like it's starting to get washed away.

Mr. Reid: The roadway drainage is CDD maintained.

Mr. Manjourides: No, it's not the drainage it's actually on the road. It's about two or three feet in from the drain.

Mr. Reid: If it's a result in the drainage system though that could be ours.

Mr. Manjourides: No, it looks like it just got hot one day and then your truck was instead of pushing down the road, it's an indentation about 25 feet long.

Mr. Flint: We will look at it just in case. If there's for example, a stormwater pipe under the road that creates an issue, that would be ours. If it's just general settling of the road, then that would be the HOA. They own the pavement and the base. We own the storm water. Any other questions for Dave?

C. District Manager

There being none, the next item followed.

D. Field Manager

Mr. Sheerer: The Field Manager's Report is included in your agenda pack. You will see a lot of items like the fountains and irrigation repairs. We did grind the raised sidewalks between 13 and 14 as opposed to replacing them this time. We do have some additional sidewalk replacements going on along Dove Valley and behind the architectural fountain. Annuals were replaced. There is a second declining palm on Double Eagle Drive that we will be removing. We had a medallion off one of the entry monuments that was re-installed. Down to Earth did a spring fertilizer application. The non-specialty palms which are basically the Washingtonians, you will see those staring to get trimmed in the next week. All four fountains are working and as George eluded to earlier, we did meet and have been meeting on a regular basis with Down to Earth for all landscape, irrigation, and issues like that. We also got a report on Friday, we had an irrigation controller go down at the architectural fountain traffic circle. That's been approved, and we'll be getting that replaced. I can try to answer any questions that you might have.

Mr. Nembirkow: The raised sidewalk that was ground down, they didn't grind it down enough.

Mr. Scheerer: They are coming back to do that. Yes sir.

Mr. Nembirkow: The palms along the entry way, there's one or two missing supposedly.

Mr. Scheerer: Please remember we've had this discussion about replacing palm trees. These palm trees are dying of the disease that in order to replace them with a palm tree you are

going to have to dig out, according to Down to Earth, a tremendous amount of soil. We are not looking to put palm trees back in there. What we would be looking to replace those with would be something like a Japanese Blueberry. We have several other palm trees that are starting to die. We are just leaving them for now, but we won't be replacing any palm trees with palm trees going forward.

Mr. Nembirkow: Just as long as I have an answer for the person that was asking me.

Mr. Scheerer: They can call me; you know I'm always available. I'll be happy to talk to them as well, or we can meet out there with Down to Earth. As soon as you hit Double Eagle from the architectural fountain and head to 27 we have one on the right and one on the left on hole 13 that's declining and we are going to be pulling those out, and they are in between all the Indian Hawthorne that surrounds the palms. We won't be replacing those with any type of palm trees in the future.

Mr. Nembirkow: I don't know one palm tree from another one so I'm just relating the message.

Mr. Scheerer: Yes sir. No problem.

Mr. Flint: Any other questions for Alan?

Mr. Manjourides: I'm good. Those were the two issues I had.

SEVENTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Flint: Any other Supervisor's requests?

Mr. DiCocco: Good job Alan.

Mr. Scheerer: Thank you guys.

Mr. Flint: We do have another opportunity for audience comment. Are there any audience comments before the Board adjourns? I'm not seeing any. If there's nothing else is there a motion to adjourn?

Ms. Newberry: I want to make one comment. I appreciate Mike Wilson's time on the Board.

Mr. Flint: Yes, he was a great Board member. We are going to miss him. Hopefully, he'll get a chance to be on Stoneybrook South of Champions Gate at some point.

Mr. Flint: Is there a motion to adjourn?

EIGHTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Newberry, seconded by Mr. Manjourides,
with all in favor, the meeting was adjourned.



Secretary/Assistant Secretary

Chairman/Vice Chairman