

**MINUTES OF MEETING  
STONEBROOK AT VENICE  
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Stoneybrook at Venice Community Development District was held on Thursday, September 5, 2019 at 12:00 P.M. at the Stoneybrook Activity Center, 2365 Estuary Drive, Venice, Florida 34292.

**Present and constituting a quorum:**

Daniel Minnick	Chairperson
Jerry Lee Olinger	Assistant Secretary
Andy Grogoza	Assistant Secretary
Gary Compton	Assistant Secretary

**Absent:**

James Crawford	Vice Chairperson
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**Also present were:**

James P. Ward	District Manager
Jere Earlywine	District Counsel
Bruce Bernard	Calvin, Giordano and Associates

**Audience:**

Karen Jefferson (ph), Barbara Brennan (ph), Edward Strauss (ph), Brian Slayer (ph), Mark Saw (ph), Angela Dodd (ph), Fred Cosby (ph), Frank Defeeby (ph), Robert Harkins (ph), Karen Jefferson (ph), Dan Loback (ph)

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. James P. Ward called the meeting to order at approximately 12:00 p.m. and all Members of the Board were present at roll call with the exception of Vice Chairperson James Crawford.

**SECOND ORDER OF BUSINESS**

**Consideration of Minutes**

**Regular Meeting – June 27, 2019.**

Mr. Ward asked if there were any additions, corrections or deletions to the Minutes. Hearing none, he called for a motion to approve the June 27, 2019 Regular Meeting Minutes.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogza, and with all in favor, the June 27, 2019 Regular Meeting Minutes were approved.**

**THIRD ORDER OF BUSINESS****Public Hearing****a) LAKE BANK RESTORATION CAPITAL PROJECT**

Chairperson Daniel Minnick discussed his childhood in Indiana on a tomato farm. He indicated he wished to speak about how nature has affected the lake banks in Stoneybrook. He noted there was a resolution on the table to move forward with funding for lake restoration as discussed at the prior meeting; however, no funds were committed for this resolution. He stated based on the encouragement from the community to defer, it was his hope the Board would see fit to establish a fact finding committee to research the situation. He noted funding would be discussed during this Meeting and he encouraged all present to participate and ask questions.

Mr. Ward stated this public hearing was related to the imposition of the assessments as related to the lake bank restoration project. He called for a motion to deny Resolution 2019-4. He noted establishment of a fact finding committee was the next item for discussion.

**I. Public Comment and Testimony****II. Board Comment and Consideration****III. Consideration of Resolution 2019-4 making certain findings; authorizing a lake restoration project; adopting an engineer's report; providing an estimated cost of improvements; adopting an assessment report; equalizing, approving, confirming and levying debt assessments; addressing the finalization of special assessments; addressing the payment of debt assessments and the method of collection; addressing government property, and transfers of property to units of local, state and federal government; authorizing an assessment notice; and providing for severability, conflicts and an effective date.**

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogza, and with all in favor, Resolution 2019-4 was denied.**

Mr. Ward explained denial of Resolution 2019-4 took the Board's consideration of funding any lake bank restoration off the table until further notice.

**FOURTH ORDER OF BUSINESS****Consideration of Resolution 2019-5**

**Consideration of Resolution 2019-5 of the Stoneybrook at Venice Community Development District establishing a lake project fact-finding committee to study erosion of the district's stormwater lakes and potential solutions to that issue; providing for membership; describing the function and duties of the committee, and establishing parameters; providing for severability; and providing for an effective date.**

Mr. Ward stated Resolution 2019-5 established a fact finding committee to study the erosion of the District stormwater lakes and research potential solutions. He stated it provided for membership of three members, established the parameters of the committee and provided for an effective date.

Mr. Minnick recommended appointing Paul Weber (member of the HOA), Tom Bosnick (active community participant) and Tony Graff (large project and analytics experience). He stated he hoped the committee would have full support of CDD Staff to aid in research. He stated there would be no communication between the committee and the CDD Board, an attempt at no communication between the committee and the HOA, and no communication between the committee and the community. He stated the committee was to work independently and make the final report public during presentation at a CDD meeting.

Mr. Jere Earlywine stated the CDD was subject to the Sunshine Laws. He noted the CDD could establish fact finding committees, but not decision making committees. He explained any decision making committee was subject to the Sunshine Laws as well. He stated the purpose of the fact finding committee was to go out, walk the lakes, gather information and research possible solutions to present to the CDD for consideration at a publically noticed meeting. He stated whoever participated in this committee needed to be very careful not to make any decisions, such as eliminating a potential solution from the list of solutions for consideration. He explained if the committee made such a decision, the committee would no longer be considered a fact finding committee, but would be considered a decision making committee and would be in violation of the Florida Sunshine Laws.

Mr. Earlywine stated the CDD received some public comments, which Mr. Gary Compton distributed to the Board Members. He noted the comments raised policy questions for the Board to consider.

Mr. Minnick further discussed his nominations for the committee. He noted the committee's communication should be restricted to CDD Staff for assistance with reference material, and the outside community. He stated he anticipated the committee would have an information package ready for presentation in January 2020. Discussion ensued regarding when the committee would have an information package ready for CDD review, holding the first meeting in 2020 on January 15, 2020, and making the committee presentation during the first meeting in February 2020.

Mr. Gary Compton noted Resolution 2019-5 asked for five committee members rather than three and he felt this would be more efficient. He indicated he was interested in participating on the fact finding committee. Mr. Earlywine indicated there could only be one CDD Board Member on the fact finding committee. Mr. Minnick stated he did not feel any CDD Board Members should sit on the fact finding committee. He stated he wished the fact finding committee to be able to look upon the issues with fresh eyes and new opinions without any prejudices.

Mr. Gary Compton stated he did not have an agenda with any potential contractor and had been involved with this lake erosion project for a long time. He stated he had experience with lakes and ponds. He noted Mr. Weber might have time availability issues. He indicated the Board should make the decision regarding his committee participation; however, he felt the committee should consist of five members; he explained his reasoning. Mr. Minnick stated he was not questioning Mr. Compton's abilities or integrity. He indicated regarding time availability, he believed five months was ample time for Mr. Weber and the committee to conduct research even if Mr Weber had time constraints. He noted he was comfortable with three committee members. He stated he believed the committee, by definition of independence, as indicated in the Resolution, should operate completely independently of

the CDD, HOA and community which meant there could not be a CDD Board Member on the Board, as this would negate the committee's independence.

Mr. Compton stated the CDD and the HOA wished to work together for the benefit of the community. He indicated he wished to see a new resolution added which created an HOA advisory committee to the CDD to enable the CDD to better understand the wishes of the community. Discussion ensued regarding the HOA advisory committee, the HOA advisory committee expressing HOA and community wishes to the CDD, the importance of a joint effort between the HOA and CDD. Mr. Earlywine stated he felt outreach to the HOA was positive; however, he believed outreach to the HOA could be done without a committee. He noted the HOA, who were in attendance today, could always attend CDD meetings to provide input. He indicated he generally did not approve of the CDD forming any committee and did not approve of forming an HOA advisory committee. He noted he understood the importance of the lake erosion fact finding committee. Mr. Compton stated he believed an HOA advisory committee could serve as a go between the HOA and the CDD and could assist in the decision-making process regarding the fact finding committee information. Mr. Minnick stated Mr. Compton's suggestion for an HOA advisory committee could not be considered today; Mr. Compton would need to write up a resolution in this regard for discussion and presentation at the next Board Meeting. He asked Mr. Earlywine to review Resolution 2019-5 for the benefit of the public.

Mr. Earlywine explained Resolution 2019-5 established a lake project fact finding committee to study erosion of the District's stormwater lakes and potential solutions to the issue. He noted the Resolution provided for membership and further described the function and duties of the committee, as well as set committee parameters. He explained the committee would have access to Staff, but no spending authority; any spending authority would come from the Manager, Chairman or Board in full.

Mr. Compton noted there were certain proposed amendments to the resolution as well. Mr. Earlywine stated the proposed amendments included expanding the committee from three members to five members (which was a policy decision for the CDD Board to decide) and allowing the committee to hold public meetings for discussion. He noted there were no constraints on the committee regarding public meetings even without inclusion of the second amendment. He noted the third amendment was to require the committee to complete its fact finding by February 2020.

Mr. Minnick asked Mr. Earlywine to add language to the resolution which indicated the committee would have resources available from outside the community, but that the committee was not to communicate directly with the CDD Board, the HOA Board, or members of Stoneybrook at Venice Community, until the information was presented to the public. (*Indecipherable due to voices speaking over one another.*) Mr. Minnick further explained his reasons for the communication ban.

Mr. Ward asked if there were any public comments.

Ms. Barbara Brennan (ph) stated she received a memo on August 19, 2019, which indicated the CDD would continue to work with the HOA, listen to input from the HOA, as well as share information and proposals with the HOA. She stated it was her understanding the HOA and the CDD would work together regarding the lake erosion project. She indicated having a committee which would not solicit the HOA and community to determine the wants and needs of the community was absurd. She stated she approved of the individuals Mr. Minnick selected to serve on the committee, but she felt Mr. Gary Compton should also be included in the committee. She stated Mr. Compton had a plethora of knowledge which could be used. She stated it was very important to listen to and consider HOA and

resident input. She stated not permitting the committee to communicate with the HOA and residents was the opposite of transparency.

Ms. \_\_\_\_\_ 46:04 stated she agreed with Barbara. She stated the CDD Board needed to understand there was a great deal of the community which had a feeling of mistrust for the CDD. She stated she appreciated the CDD Board's decision to wait and conduct research regarding this project prior to any decision regarding funding; however, she did not feel the idea of a three person committee which was restricted from communication would improve any feelings of mistrust. She stated she felt the HOA and the community had been mistreated by the CDD Board. She stated she felt the HOA and the community should have a say in who would participate on the committee. She stated it was important for the community to be able to trust the committee.

Mr. Edward Strauss (ph) stated if there was a conflict with Mr. Gary Compton serving on the CDD and committee then there was a conflict with Mr. Paul Weber serving on the HOA and the committee. He stated he worried Mr. Weber would not be able to do due diligence with this committee as he had time constraints. He stated he did not know the other two nominees. He asked if the two nominees were present. Mr. Minnick responded one nominee was present; however, the other was absent due to a prior engagement. He noted both were retired. Mr. Strauss indicated if the committee members were interested in serving on the committee it should have been a priority for the nominees to be in attendance at this meeting. He asked about the qualifications of the nominees. Mr. Minnick stated he searched for individuals with a good mind, a good background in project or problem management, an interest in the community, and who were not too close to the situation (to prevent prejudice). Discussion ensued regarding how these three individuals were chosen.

Mr. Brian Slayer (ph) stated he was a retired fire fighter. He stated he was involved with the community at the state level, city level, local level, union level and national level. He stated the parliamentary procedure he was witnessing today could be challenged legally. He stated the CDD was a temporary taxing body. He stated it was a conflict of interest, and possibly illegal, for the CDD Board to chose to employ a Board Member's company. He complained the Board Members were not paying attention to resident's comments. He stated the CDD did not make decisions, the residents did; the CDD existed to search out funding to fulfill resident decisions. He stated an HOA was in place, the HOA should make the decisions, and if the HOA needed funds it would come to the CDD. He called for the immediate removal of Mr. Ward from the Board due to his hiring his own company for CDD activity. He stated if the Board did not at least discuss his recommendation and vote on it, the CDD would open itself up to legal problems.

Mr. Earlywine stated he was unclear about what Mr. Slayer was implying. He reported Mr. Ward's company was JP Ward and Associates, which was the management company for the CDD. He stated JP Ward and Associates did not do the lake erosion study; a separate engineering company hired by the CDD Board performed the erosion study. Mr. Slayer noted he read in some past minutes Mr. Ward indicated his company could be hired to perform a service for the CDD noting "the people we usually use are not available" and apparently Mr. Ward indicated his company could perform the service, and could perform this service for \$5,000 dollars instead of the usual \$10,000 dollars. Mr. Earlywine noted this was completely unrelated to the lake erosion project. He reported each year the District was required to certify an assessment role to the Tax Collector. He explained some CDD management companies did this certification inhouse while others hired outside companies. He explained the outside company which had previously performed this service for the CDD (Fishkind) was no longer available, so the decision was made to do this inhouse. Ms. \_\_\_\_\_ 55:25 asked why Mr. Ward's company

was chosen to perform the service and not another outside company. Mr. Earlywine responded there were timing difficulties; Fishkind became unavailable at the last minute which made it necessary to choose a new company quickly and as Mr. Ward's company was able to perform this service the decision was made to utilize JP Ward and Associates. He stated this was not illegal.

Mr. Mark Saw (ph) stated he did not understand why the committee would not consist of individuals who were in the water industry and experienced with lake erosion problems. He stated there were plenty of facilities in Florida which taught underwater assessment skills with modern technology, such as bathymetry, which could be used for information gathering. He noted while this type of technology was not cheap, given the amount of money it might cost to fix the lake erosion problems it was worth considering in an effort to obtain the best and most up to date information. He stated bathymetry could measure to the millimeter in accuracy which would enable the engineers to better determine exactly what needed to be done. He indicated he had worked for engineering companies for over 30 years (he was retired now).

Ms. Angela Dodd (ph) asked why the contract with Fishkind was terminated. She stated she did not believe it was necessary to terminate the contract with Fishkind just because the company was acquired by another firm. She stated she felt it was a conflict of interest when Mr. Ward was the District Manager, in charge of all funds, and chose to use funds to pay his company. Mr. Ward stated his company did not make any profit for the service it rendered regarding tax role assessment certification. Ms. Dodd commented Mr. Gary Compton could not serve on the fact finding committee due to conflict of interest, yet Mr. Ward was the District Manager and his firm held the bond which collected money from residents. She asked why this was not considered a conflict of interest. Mr. Ward asked Ms. Dodd to repeat her question. Ms. Dodd stated Mr. Ward was the District Manager and as such had influence over the CDD Board. She asked how Mr. Ward could be the District Manager and own the firm which controlled the bond money. She stated when she called PFM (who acquired Fishkind) PFM did not have anyone inhouse who was a District Manager.

Mr. Earlywine stated Mr. Compton sitting on the fact finding committee and the CDD board was not a legal conflict of interest. Ms. Dodd asked why Mr. Compton could not sit on the fact finding committee. Mr. Earlywine noted this was a point of discussion, it was not a legal conflict for Mr. Compton to serve on the fact finding committee. He stated with respect to Mr. Jim Ward's company, his contract was approved by the Board and he had a contractual relationship with the District. He stated the Board was its own body and made its own decisions; there was no legal conflict in this respect. Ms. Dodd stated she did not believe Mr. Ward should be anywhere near the Board when he was holding the funds. She stated she worried there were funds which could be diverted to Mr. Ward's company. Mr. Earlywine stated the bond funds were held by a trust bank (US Bank) in a trust account by US Bank and the only way to take funds out of the account was through a requisition process. He stated there were no construction proceeds left; all funds went from the debt assessment directly to US Bank, and US Bank sent the money to the bond holder to make payments. He stated Mr. Ward's company did not hold nor control the money. Mr. Minnick explained this community had an HOA, the HOA had a professional management company (Whitehouse), and there were onsite managers of the professional management company. He explained Mr. Ward's role was the same as the onsite managers; Mr. Ward was a professional manager to facilitate the activities of the CDD Board. He noted Mr. Ward served in the same capacity as Whitehouse managers. Ms. Dodd stated Whitehouse did not sign checks or attend HOA meetings. Ms. Barbara Brennan indicated Whitehouse did attend HOA meetings; however, only the president and treasurer of the HOA could sign checks. Discussion ensued regarding Whitehouse issuing the checks to be signed.

Mr. Earlywine explained CDDs were required, under Chapter 190, to have a District Manager. He explained the District Manager put together the meeting notebooks, ran meetings and sat in a Board seat. He stated there was no legal conflict of interest. He noted Mr. Ward was paid a management fee for managing the District.

Mr. Ward stated he did not get paid to manage any money. Ms. Dodd asked how many districts Mr. Ward managed. Mr. Ward responded approximately twelve districts. Ms. Dodd stated she felt Mr. Ward being paid to manage a district created a conflict of interest. She stated her payment in 2007 went to Fishkind. Mr. Ward explained Ms. Dodd's payments went to Fishkind, Fishkind sent the funds to him and he made the transmittal to the trustee bank. He explained this was how any prepayment of assessments was handled.

Mr. Ted Cosby (ph) stated he spent his career in research and for every project he ever participated in all prior available research was reviewed. He indicated it was important for the fact finding committee to be able to review all prior research, including any research done by the CDD and HOA. He noted the committee would not be able to review prior research if the committee was not permitted to communicate with the CDD or HOA. Mr. Minnick noted the committee would have access to any data which had been collected up to this point; the prohibition was against soliciting ongoing conversation.

Mr. \_\_\_\_\_ 1:09:03 asked why Resolution 2019-4 was not withdrawn. Mr. Earlywine responded it was withdrawn. He explained the first action taken at today's meeting was to deny Resolution 2019-4. He stated the plan was to work with the HOA, establish a fact finding committee, review the information gathered by the committee, determine the cost of the project, and then decide how the project would be paid for. Mr. \_\_\_\_\_ 1:10:43 stated the proper language was "withdraw" not "deny;" the Resolution needed to be withdrawn. He stated he believed the CDD could move forward with Resolution 2019-4. He stated he felt the CDD was trying to "stick its hands in everyone's pocketbook." Mr. Earlywine indicated that Mr. \_\_\_\_\_ had attended CDD Board Meetings repeatedly, accusing the Board Members of fraud and lies, and this was just wrong. He stated the bonds were refinanced some time ago to save the residents money; that was all, nothing more. He indicated this was done with complete transparency, notice was sent to all residents, residents were given the opportunity to speak, many residents attended the meeting and very few had any objections. Mr. \_\_\_\_\_ 1:13:18 stated Resolution 2019-4 needed to be withdrawn and the lake restoration project needed to move forward. He expressed his dislike for the CDD. He thanked the CDD for discovering the Lennar ponds were not the responsibility of Stoneybrook at Venice CDD and for removing the ponds from the District pond roster. He encouraged the CDD to recover any monies spent on the Lennar ponds in the past by the CDD.

Mr. Minnick stated notice was sent through the mail for every meeting held by the CDD to all residents. He stated the CDD held no other meetings and no CDD actions regarding the community would transpire outside of a CDD meeting. (*Indecipherable due to voices speaking over one another.*) Ms. \_\_\_\_\_ 1:16:54 accused the CDD of being corrupt and stated she would attend all future meetings and would have her attorney address the situation.

Mr. Frank Defeeby (ph) stated his lake looked the same as it did nine years ago. He asked if Southwest Florida Water Management District (SWFWMD or "Swiftmud") mandated a lake erosion study. Mr. Minnick responded in the negative; a resident complained of lake bank erosion indicating the water level was rising, so the CDD began to investigate the situation. Discussion ensued regarding the lake

bank erosion project, how much would be spent on the erosion project, and getting an evaluation from Southwest Florida Water Management District. Mr. Defeeby stated he would be happy to pay the \$400 dollars in increased assessments if it was necessary; however, he was not convinced it was necessary. He stated the decision to conduct a survey out of the blue through a company which was somehow associated with the Board seemed fishy to him. Discussion ensued regarding which residents complained about the rising water level and the lake bank erosion, being polite during discussion, and waiting to speak until called upon.

Mr. Earlywine noted there were trust issues which the CDD was attempting to address. He stated the CDD attended the last HOA meeting. He stated the lake erosion project was going to be researched and studied thoroughly before any funding to improve the lakes was agreed upon. He stated Resolution 2019-4 was denied and Resolution 2019-5 would establish a fact finding committee to research the situation. He indicated he felt this went a long way in addressing the trust issue. He stated he understood the residents wished for the committee to be communicative with the residents and HOA. He noted he understood Mr. Minnick's concern the committee would be inundated with resident comments; however, he recommended the committee be permitted to communicate with the community and/or schedule regular presentations by the committee to the HOA and the CDD every two to four weeks. He noted the lake issue needed to be studied further to determine the extent of the problem. He stated there were possible potential regulatory ramifications, there were bond covenants which required maintenance, and it was important not to allow the lake shores to erode to the point where resident yard space was reduced or, worst case scenario, someone was hurt. He stated the committee would study the extent of the damage and determine possible solutions.

Mr. Minnick reported at the last HOA Meeting a presentation was made by a firm which had conducted a lake erosion study in 2015. He noted the firm indicated in 2015 there was over \$1 million dollars worth of lake erosion damage. He reported the CDD had no knowledge of this report from 2015 until relatively recently. He stated significant efforts were being made to move forward with this endeavor in a manner which was acceptable and pleasing to the residents. Discussion ensued regarding having Swiftmud perform a survey to determine the level of damage and the importance of restoration.

Mr. \_\_\_\_\_ 1:28:35 stated he would not pay \$400 dollars a year to have the lake banks restored; he would sell his home first. Discussion ensued regarding homes not being marketable if there were lake issues, having residents vote regarding the lake issue, and allowing the residents to decide whether to even perform the survey.

Mr. Josh \_\_\_\_\_ 1:29:58 stated he only received mail notification for the two CDD meetings in September. He stated he had not received notification for any previous meetings held in 2019. Mr. Ward explained when the District levied an assessment or planned to levy an assessment, as it had been intending to do with respect to the lake bank restoration project, mailed notices went out, as required by law, to all residents. He reported normal monthly CDD Meetings were not required by law to be announced through mailed notice, but were posted online and announced in the newspaper.

Mr. Josh \_\_\_\_\_ 1:31:13 asked if any of the committee appointees were previously involved with this project. Mr. Minnick responded in the affirmative; Mr. Weber was familiar with the project, but was a member of the HOA and was chosen to ensure inclusion of the HOA. Discussion ensued regarding how the committee members were chosen by Mr. Minnick, the Board having the ability to deny or approve the appointees, the Board having the ability to appoint other individuals, the committee having no spending power, the committee submitting funding requests to the CDD Board for approval or

denial, there being a lack of independence in the committee being required to request funds from the CDD, and the CDD Board Members being public officials.

Mr. Robert Harkins (ph) stated most residents did not know anything about the CDD or how CDD Board members were elected. He stated he had lived in the area since 2006 and had never received any information from the CDD through the mail. He stated the residents voted on all changes made by the HOA. He stated if the CDD was really for the community the residents should have a vote. He asked why the Engineer (Bruce Bernard) was present. Mr. Minnick responded Mr. Bernard was present to answer any questions about the survey. He noted the Mr. Bernard was not present to advocate himself as a candidate for the work group. Discussion ensued regarding the presence of the Mr. Bernard.

Mr. \_\_\_\_\_ 1:36:30 stated he believed all residents should have a vote regarding any money spent by the CDD.

Discussion ensued regarding the purpose of a CDD, how the survey was funded, the survey being funded through the general operating budget, the survey costing \$9,000 dollars, and CDD's being subject to public bidding laws. Mr. Earlywine explained a study activity with a cost of less than \$35,000 dollars could be informally bid, which was what was done in this instance. He noted when construction work was needed, if the cost was over \$300,000 dollars, a public bid was required.

Mr. \_\_\_\_\_ 1:38:56 stated the CDD was only in place to enable payment of the bonds which were initially incurred for community infrastructure (this was the case in his previous Illinois neighborhood). He stated he believed the CDD was required to take any issues directly to the HOA and had no legal right to make any demands or conduct any investigations. He stated he believed the HOA was responsible for the lake bank erosion problems, not the CDD; the HOA represented the residents, the CDD was only in place to "pay the bills."

Mr. Earlywine explained Florida law was different from Illinois law. He stated a CDD in Florida was intended to be a long-term maintenance entity. He noted in this community the assets were split between the CDD and the HOA. He explained the CDD took care of stormwater ponds, and under Chapter 190 the CDD was required to maintain the stormwater ponds in perpetuity.

Ms. Karen Jefferson (ph) stated she had erosion on her lake. She indicated she lost four feet of her property and could see the erosion of her neighbor's properties as well. She noted the problem accelerated when the lake was drained for the new development. She stated she just wanted others to understand there was in fact an erosion problem.

Mr. \_\_\_\_\_ 1:42:09 asked about the certificate posted in the office from Sarasota Southwest Water District. Mr. Minnick explained this certificate was for the underwater infrastructure, not the lakes themselves. Mr. \_\_\_\_\_ 1:43:05 agreed Swiftmud should be called for erosion verification.

Ms. \_\_\_\_\_ 1:45:00 stated she, Ted Alico (ph), Jim Ward, and Dan Minnick met just prior to the June 27 Meeting. She reported during this discussion Mr. Ward recommended postponing collecting the assessment this year and then reconsidering the assessment next year. She stated the Resolution which was presented on June 27 was presented in its original form, not as discussed before the meeting. She stated she had discussed with Mr. Ward the prospect of the committee and he had agreed to allow HOA participation with the committee, but now an independent noncommunicative committee was

being proposed. She stated this was not what was agreed upon previously. She stated she felt this was a “bait and switch” situation. She agreed there were major trust issues here.

Mr. Minnick stated his intention with the communication prohibition for the committee was to enable an independent committee to act without influence from external sources. He stated in light of the fact that the residents did not wish this to be the case he withdrew his suggested amendment for communication prohibition. He noted the Resolution could go through as initially drafted.

Mr. Dan Loback (ph) stated he was the attorney for the Stoneybrook HOA. He noted he specialized in representing HOAs. He thanked the CDD for denying Resolution 2019-4. He stated he believed the difficulties which were faced during this meeting were the direct result of a breakdown in communication between elected representatives and constituents. He noted while Mr. Minnick withdrew his amendment, Mr. Minnick had also indicated he believed the original intent of the draft was to discourage communication between the committee and the community and encourage secrecy of findings until presentation. He reported he drafted amendments for the Resolution to ensure this was not the case. He urged the CDD to adopt his amendments. He indicated the amendments ensured the committee was not closed off, ensured the committee was free to have open meetings as it so chose, and ensured committee members were free to interact with HOA leaders and members. He stated the amendment ensured any public record generated by the committee was instantly available to the public. He encouraged the CDD to be open and transparent. He stated the residents were the CDD Board’s constituents and should be respected. He stated he supported a five person committee. He stated he supported Mr. Compton’s appointment to the committee. He discussed a couple of statements made by the Board at today’s meeting which he felt were false and which he felt encouraged distrust.

Mr. Minnick responded to Mr. Loback’s statements and further reviewed the history of what had been done regarding this lake issue up to this point. He noted the CDD was surprised to hear how expensive it would be to fix the current erosion issue. He stated the CDD had only spent \$9,000 dollars to investigate the issue; no other funds had been spent. He stated the CDD looked forward to further investigation and wished the residents to feel comfortable with the end product. He noted he was human and as such made errors; however, each member of the CDD Board cared about the community.

Discussion ensued regarding how the CDD Chairperson was chosen and elected, how much longer Mr. Minnick would serve as chairperson, creating a five member fact finding committee, Mr. Minnick being chosen as Chairperson due to his level of experience, CDD Board Members having the right to be paid \$200 dollar per meeting, Mr. Minnick insisting the Board Members not be paid, Mr. Minnick having the community’s interests at heart, future elections for the CDD, Mr. Paul Weber being out of town, Mr. Tom Bosnick being present, the third committee nominee being out of town, operation and maintenance costs, the bond originating from infrastructure costs (\$6.3 million dollars) in 2007, the bond being a 30 year bond, the residents having the right to prepay the principle in an effort to save money, residents being concerned adding another \$300 dollars in bond assessments would price homes out of the market, the budget being available for view on the CDD website, and whether Swiftmud would fine the District \$1,000 dollars per day for failure to maintain the lakes.

Mr. Minnick indicated his statement about Swiftmud fining the District \$1,000 dollars at this point was incorrect. He noted he had misunderstood some information; however, Swiftmud did have the right to fine the District for compliance violations. Discussion ensued regarding whether Swiftmud had deemed

the District in compliance, the District not currently under threat of compliance violation, and waiting until Swiftmud indicated there was a problem before moving forward.

Mr. Compton reviewed Swiftmud's procedure. He explained Swiftmud did not perform inspections, Swiftmud only responded to complaints and only investigated the one area for which the complaint was filed, not the entire community. He noted Swiftmud was primarily concerned with stormwater management, not aesthetics. He noted the District's lake numbers did not correspond to Swiftmud's lake numbers; this should be fixed. He noted he felt five committee members would be better able to ask the right types of questions in the fact finding venture; more members equaled more questions. Discussion ensued regarding Swiftmud certifying the District per an engineering report prior to bond refinancing, the District being required to fix 12 problem areas to come into compliance, only fixing the lakes which were in disrepair, certain lakes being problematic while others were in better condition, the benefit of an engineering study, runoff problems, the committee being tasked with determining the problems, there being four lakes which were high problem lakes, and fixing the problem lakes only.

Mr. Minnick made a motion to approve Resolution 2019-5 as originally presented without amendments or editing. Mr. Earlywine stated Resolution 2019-5 established the committee to study the erosion issue. Discussion ensued regarding the Resolution listing three committee members and not limiting committee communication with the community.

Mr. \_\_\_\_\_ 2:26:23 stated a great distrust for the CDD had been expressed, while others indicated Mr. Gary Compton should be included on the committee and the membership should be increased to five members. He wondered why this was being disregarded. Discussion ensued regarding Mr. Compton being trusted, Mr. Compton needing to be included on the committee, a lack of trust for Mr. Minnick, the three who agreed to serve on the committee agreeing with the understanding there would be three committee members, and five committee members being too many members with too many opinions. Mr. Minnick stated the openness of the committee was entirely up to the committee; the committee had the right to be communicative or not be communicative.

Mr. \_\_\_\_\_ 2:29:44 stated he was Mr. Minnick's brother-in-law and rented his current home from Mr. Minnick. He reported he had lived in this community for a long time and had previously owned his home. He stated his wife died in 2014 and while he could have moved, he chose to stay because he loved the community. He stated he was not a "yes man" to his brother-in-law. He stated he was an honest man and not a sneak.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogza, and with three in favor and one opposed, Resolution 2019-5 was adopted as presented and the Chair was authorized to sign.**

Mr. Minnick, Mr. Grogza and Mr. Olinger voted in favor of the motion; Mr. Compton was opposed. *(Indecipherable due to voices talking over one another.)*

## FIFTH ORDER OF BUSINESS

## Public Hearing

Mr. Ward stated the fifth order of business was two Public Hearings; the first was related to the FY-2020 Budget and the second was related to assessments. He stated the only change to the Budget was the removal of the lake restoration project; assessments would be the same as the previous year.

**I. FISCAL YEAR 2020 BUDGET**

**a. Public Comment and Testimony.**

Mr. Ward called for a motion to open the Public Hearing.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogoza, and with all in favor, the Public Hearing was opened.**

Mr. Ward stated the Public Hearing was for the Fiscal Year 2020 Budget, the same Budget which had been adopted annually for the past several years. He stated the assessment rate would be \$74.21 per unit per year. He asked if there were any public comments or questions regarding the FY-2020 Budget.

Mr. Loback stated Mr. Ward indicated the assessment would go from \$74.53 to \$74.21; however, the proposed Budget in the Agenda Packet indicated an increase from \$74.53 to \$91.28 due to \$31,200 dollars budgeted for stormwater management services. Mr. Ward reported this had all been removed. Mr. Loback stated he also saw there was an increase in executive salaries, a 7% increase from \$17,000 dollars to \$23,000 dollars. He noted executive salaries/insurance in the amount of \$3,500 dollars was eliminated. He asked if this amount was now being rolled into the salaries. Mr. Ward responded in the affirmative. Mr. Loback noted there was still an increase in salaries of \$2,500 dollars. Mr. Ward stated salaries were budgeted at \$20,500 dollars, not \$23,000. He explained FICA insurance was included; however, salaries were not increasing. Discussion ensued regarding the salary budget line and FICA taxes. Mr. Ward noted Mr. Loback did not have the updated version of the Budget.

Mr. Loback noted the Budget reflected a substantial reduction in audit services from \$4,900 dollars to \$4,500 dollars. Mr. Ward stated the audit services were rebid and the Budget reflected the new contract prices. He stated the CDD was receiving the same level of audit service, but at a better price.

Mr. Loback noted Legal Services were being cut from \$3,200 dollars to \$3,000 dollars. He questioned whether \$3,000 dollars would be accurate; the District Attorney should be in attendance at every CDD meeting. Mr. Earlywine noted there were funds which would be carried forward from the previous year which could be used to pay any extra legal fees.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogoza, and with all in favor, the Public Hearing was closed.**

**b. Board Comment and Consideration.**

Mr. Ward asked if there were any Board comments or questions regarding the Fiscal Year 2020 Budget. There were none.

**c. Consideration of Resolution 2019-6 adopting the annual appropriation and Budget for Fiscal Year 2020.**

Mr. Ward called for a motion to approve Resolution 2019-6 which adopted the proposed Budget for Fiscal Year 2020 as amended.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogoza, and with all in favor, Resolution 2019-6 was adopted and the Chair was authorized to sign.**

**II. FISCAL YEAR 2020 IMPOSING SPECIAL ASSESSMENTS; ADOPTING AN ASSESSMENT ROLL, APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY, AND SETTING AN OPERATIONS AND MAINTENANCE CAP FOR NOTICE PURPOSES ONLY**

Mr. Ward noted the second Public Hearing was related to the imposition of assessments, adoption of the assessment role and the methodology for levying the assessments for the General Fund.

**a. Public Comment and Testimony**

Mr. Ward called for a motion to open the Public Hearing.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogoza, and with all in favor, the Public Hearing was opened.**

Mr. Ward asked if there was any public comment; hearing none, he called for a motion to close the Public Hearing.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogoza, and with all in favor, the Public Hearing was closed.**

**b. Board Comment and Consideration**

Mr. Ward asked if there were any Board comments or questions. There were none.

**c. Consideration of Resolution 2019-7 imposing special assessments, adopting an assessment roll and approving the general fund special assessment methodology**

Mr. Ward explained Resolution 2019-7 imposed the special assessments, certified the assessment roll and approved the general fund special assessment methodology for the District for FY-2020.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogza, and with all in favor, Resolution 2019-7 was adopted and the Chair was authorized to sign.**

**SIXTH ORDER OF BUSINESS****Consideration of Resolution 2019-8****Consideration of Resolution 2019-8 designating the dates, time and location for the regular meetings of the Board of Supervisors of the District for Fiscal Year 2020**

Mr. Ward stated Resolution 2019-8 designated the dates, time and location for the regular meetings of the CDD Board for Fiscal Year 2020 for the first Thursday of each month beginning October 1, 2019 and ending September 30, 2020 at 12:00 p.m. at the Stoneybrook Activity Center, 2365 Estuary Drive, Venice, Florida 34292. He stated the Resolution did not bind the Board to these dates; meetings may be added, eliminated or rescheduled as the Board deemed fit. He noted the meeting dates would be advertised. He asked if there were any questions.

Ms. \_\_\_\_\_ 2:47:00 asked why she was being charged an assessment if she had already paid off her bond fees. Mr. Earlywine explained there were perpetual operation and maintenance costs assessed by the CDD which were separate from the bond fees. Ms. \_\_\_\_\_ 2:48:00 asked why she was also paying HOA fees which included maintenance for the lakes. Mr. Earlywine explained the CDD's operation and maintenance costs were primarily administrative; the CDD did not currently perform any lake maintenance. He noted the CDD had a contract with the HOA which indicated the HOA would maintain the lakes in terms of water quality and aesthetics, as well as lake plantings. Ms. \_\_\_\_\_ 2:49:17 read a letter she received from the CDD which indicated the CDD was responsible for lake maintenance. Discussion ensued regarding the CDD owning infrastructure, HOA being contracted to maintain assets, capital investments, the District only requiring minimal maintenance up to this point, the budget properly reflecting how surplus funds were distributed, anticipated year end surplus, how Mr. Earlywine's fees would be covered, discretionary spending, there being no slush fund for the CDD, and Mr. Ward having some leeway within the constraints of the existing budget to ensure Mr. Earlywine was paid.

Mr. \_\_\_\_\_ 2:56:32 asked how the 12:00 p.m. meeting time was chosen. He stated he wished for the CDD to consider a meeting time which was more convenient for the residents. Discussion ensued regarding meeting times, why 12:00 p.m. was chosen, holding meetings in the evenings, evening meetings not being convenient for snowbirds, meeting notifications, and meetings being posted online.

**On MOTION made by Mr. Daniel Minnick, seconded by Mr. Andy Grogza, and with all in favor, Resolution 2019-8 was adopted and the Chair was authorized to sign.**

**SEVENTH ORDER OF BUSINESS****Staff Reports****I. Attorney**

No Report.

**II. Manager**

**a. Financial Statements for the period ending July 31, 2019.**

No Report.

**EIGHTH ORDER OF BUSINESS**

**Audience Comments and Supervisor’s Requests**

Ms. \_\_\_\_\_ 2:58:48 asked if meetings could be held at a more reasonable time to enable more residents to attend. Mr. Ward responded this was a Board decision.

Mr. Compton suggested changing the meeting time from 12:00 p.m. to 4:30 p.m. Mr. Ward noted 6:00 p.m. would be better as he and Mr. Earlywine had other meetings scheduled during the afternoon on the first Thursdays of the month.

**On MOTION made by Mr. Gary Compton, seconded by Mr. Jerry Olinger, and with all in favor, Resolution 2019-8 was amended to change the time of meetings to 6:00 p.m., but keep meeting dates and location the same.**

**NINTH ORDER OF BUSINESS**

**Adjournment**

Mr. Ward adjourned the meeting at approximately 3:02 p.m.

**On MOTION made by Mr. Andy Grogoza, seconded by Mr. Jerry Olinger, and with all in favor, the meeting was adjourned.**

Stoneybrook at Venice Community Development District

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
Gary Compton, Chairman