



BONITA
NATIONAL
GOLF & COUNTRY CLUB

BOARD OF DIRECTORS JOINT SPECIAL MEETING NOTICE
GOLF/HOA BOD'S
BONITA NATIONAL GOLF CLUB, INC.

Place of meeting:

Bonita National Clubhouse and via zoom
17501 Bonita National Blvd
Bonita Springs, Florida 34135

Date of meeting:

Monday, December 18, 2023

Time of meeting:

4:00pm

1. Call to order:

T. Casey/K. Wadams, Golf/HOA Presidents

2. Certification of Quorum:

D. Jimenez, Secretary, T. Jorstad. Golf/HOA Secretary

3. Proof of Notice:

R. Hohman, Interim GM

Attendees:

GOLF BOARD:

T. Casey, President – via zoom

P. Hanson, Vice President – in person.

D. Jimenez, Secretary- in person

M. Klosterman, Treasurer- in person

R. Jackson, Director- absent

N. Oliver, Director- in person

R. Winter, Director- via zoom

HOA BOARD:

K. Wadhams, President, in person

T. Sirianni, Vice President, in person

T. Jorstad, Secretary, in person

R. Daugherty, Treasurer, in person

R. Dempsey, Director, in person

C. Cappello, Director, in person

B. Safranek, Director, in person

R. Hohman, Interim GM, Troon Management
J. Langford, SVP, Operations, Troon Management
H. Dent, Communication's Manager
JP Shepard, Head Professional
J. Ellis, Golf course Superintendent

4. New business:

a. Troon Contract

K. Wadhams opened the meeting and shared that both Boards formed an ad hoc committee in July that met approximately once a month to discuss the current terms of the contract. The ad hoc committee members were - GOLF: T. Casey, R. Winter, D. Jimenez, HOA: K. Wadhams, B. Daugherty and T. Jorstad. She provided an overview of all options available that this group evaluated which were:

- Move to a self-managed community**
- Prepare a formal request for RFP and invite potential management companies to participate.**
- Negotiate a contract renewal with Troon**
- Do nothing and allow the auto renewal to take place.**

She advised that our auditor, Philips Harvey, was consulted, and they advised that our management fees are competitive and that unless the majority of both boards were so dissatisfied with Troon's level of service we should renegotiate with Troon.

The meeting was then turned over to J. Langford, SVP of Operations for Troon. He discussed the value trend and what Troon brings to the community. He provided an overview of what Troon has been able to accomplish over the past year.

M. Klosterman shared that to prepare for these negotiations, the ad hoc committee developed a list of concerns and considerations for both associations. A consolidated list was made and agreed to. J. Langford requested to meet only with the Board President's and Treasurers of both boards to review further. As a result of that meeting, they arrived at an agreement for a 5-year renewal term for each board. This renewal contract would include a fixed Management fee of \$140k for the MHOA and \$100k for the Golf Club and no CPI increase. The contract would expire May 31st, 2029, with an automatic renewal of 3 years.

T. Casey advised that these are two separate contracts, one for MHOA and one for the Golf club. He advised that when the floor is opened to member questions, MHOA will respond to HOA questions and Golf will respond to golf only questions. He also shared what an outstanding job our Golf staff has done. He advised that the current contract has a CPI clause and in 2021, the Golf increase was \$7100.00 and estimating \$3k in 2024. Therefore, over the course of a 5-year contract there is a potential to save approximately \$21k for the Golf Club. In addition, when the CPI increases the base incentive Management fee would also increase. Tom communicated that Troon just

hired a new GM, Derek Intinarelli and that by signing a 5-year contract it also shows our commitment to Troon.

K. Wadhams shared that a 5-year contract would save the MHOA approximately \$30k.

M. Klosterman advised if we went with a 3-year contract the CPI would be 3%.

Motion: MHOA:

Approve the amendment to the Community Association Management agreement effective December 18, 2023, between BNHOA and Troon Golf, LLC.

Motion: K. Wadhams

Seconded: C. Capello

Motion: Golf Club:

Approve the amendment to the Community Association Management agreement effective December 18, 2023, between Bonita National Golf Club, Inc and Troon Golf, LLC.

Motion: M. Klosterman

Seconded: T. Casey

The meeting was then opened to Board questions and comments.

Notable comments from Board members:

B. Safranek, MHOA Board:

He does not support a 5-year renewal. He felt that our current contract has an automatic renewal of two years, and he supports this auto renewal. A 5-year renewal between MHOA and Golf would equate to \$1,250,000 to Troon vs. a \$30k savings over that period for MHOA. He shared that he is still concerned with performance, changing General Managers going into the new season and that performance is key. In the last year he advised we have had a significant turnover with employees, we have changed CAMS three times in the past year, office staff has changed 100% twice. He also shared Troon has no succession plan and we need one.

N. Oliver, Golf Board: He stated that he is very supportive of Troon. They have made tremendous improvements since they arrived here. However, he does not understand the compelling reason to move to a 5-year contract vs. a 3-year contract. The CPI amount is relatively insignificant. He feels we should go with 3-years. We are going through a transition with a new GM and let's see how that works out and at any time we have the ability to amend to go with 5 years or 7 years.

D. Jimenez, Golf Board: She said that JP, Jason, and the entire golf staff have done an outstanding job, and our member satisfaction is at an all-time high. She shared that when the current ad hoc committee began meeting that through the end of September, this committee agreed to move forward with 3 years. On November 20th it was brought back to the Golf ad hoc team that the MHOA was going to proceed with a 5-year contract. She advised that the violators to get out of the contract is financial performance and was the only violator that she could find in the contract. She stated that she does not feel it sends a negative message to the Troon staff to go with a 3-year commitment F&B for Golf is still not where it needs to be and that we continue to struggle in this area. However, she does not support a 5-year contract with an auto renewal of 3 years.

P. Hanson, Golf Board: She advised that she was not on the ad hoc committee. She shared that her biggest concern was that it says there is a 90-day notice that we can cancel on either parties' part with cause but that she did not see anywhere what's a cause. She asked what leg do we or Troon have to stand on if we want to terminate and is it spelled out anywhere in the contract.

J. Langford responded, no, not until the contract is up. The cause to terminate is only financial.

She stated that this concerns her and does not want to look for another provider, but she does not feel we have all our ducks in a row.

R. Winter, Golf Board: He shared that the Golf Board only received information last evening at 8:46pm. He felt that we should table taking any motions until January and that the ad hoc committee should meet again to discuss this further. Let's get our questions answered and put a motion forward at our January meeting.

K. Wadhams advised that the MHOA board turns over in February so that if something happens in January then there will be a new HOA board that has not been involved so we want to get this done so it is not close to the February turnover.

R. Winter stated that the biggest motivator is not changing our base fee. He shared that if you look at our overall budget for operations the savings offered by Troon of a combined \$50k are so minute compared to rushing through this. We need all our questions answered and need to be better prepared.

R. Dempsey, MHOA Board: He stated that the HOA side did not get their information at 8:46pm last night. He advised that he had his information a week to 9 days before this meeting. He had plenty of time to review the details provided and to ask questions and they were answered. He shared that he is prepared to vote today. He asked J. Langford what happens if HOA goes one way and Golf another.

T. Sirianni, MHOA board: He advised that he doesn't have strong feelings whether it is 5 years or 3 years. However, he feels we need to get one of these done with the new

GM coming on board and the board switching over when it does that it is incredibly important that we get this done.

D. Jimenez stated that if we would have put on the table a 3-year renewal we would receive a unanimous approval on the golf side.

The floor was then opened to member questions and comments.

B. Daugherty then shared that he felt it is important to show our commitment to Troon and the community that we are united, both HOA and golf and that is more important than if it's a 5- year or 3-year contract. Based on that he requested to revise the motion.

Revised motion: MHOA board:

To revise the original motion from a 5-year contract to a 3-year contract with a 2-year renewal which will include the CPI increases annually.

Motion: B. Daugherty
Seconded: T. Sirianni
Unanimously approved.

In favor: K. Wadhams, T. Sirianni, T. Jorstad, R. Dempsey, B. Safranek, C. Capello, B. Daugherty

Revised motion: Golf Board:


To revise the original motion from a 5-year contract to a 3-year contract with a 2-year renewal which will include the CPI increases annually.

Motion: M.Klosterman
Seconded: N. Oliver
Approved: 6-0

In favor: T. Casey, P. Hanson, D. Jimenez, R. Winter, N. Oliver, M. Klosterman
Absent: R. Jackson

Motion to adjourn- Golf: M.Klosterman
Seconded: P. Hanson
Meeting adjourned at 5:17pm

Motion to adjourn -HOA: K. Wadhams
Seconded: C. Cappello
Meeting adjourned at 5:17pm


DONNA Jimenez
1/30/2024