

**MINUTES OF MEETING
HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT**

A Regular Meeting of the Heritage Pines Community Development District's Board of Supervisors was held on **Tuesday, December 10, 2013 at 2:00 p.m.**, in the **Heritage Pines Country Club Meeting Room, 11524 Scenic Hills Boulevard, Hudson, Florida 34667.**

Present at the meeting were:

Gilbert Herr	Chair
Raymond Russell	Vice Chair
Herbert Elliott	Assistant Secretary
Robert Zimmerman	Assistant Secretary
Jack Nelson	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Kurt Heath	District Engineer
Bonnie Walsh	Resident
Linda Mariano	Resident
Rosie Tilton	Resident
Mr. Pike	Resident
Raymond Doolittle	Resident
Residents	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 2:00 p.m., and noted, for the record, that all Supervisors were present, in person.

SECOND ORDER OF BUSINESS

Public Comments [3 minutes per person]

Mr. Herr asked for public comments. He advised that a member of the public may comment on an agenda item, subsequent to the Board's discussion of each item.

THIRD ORDER OF BUSINESS

Discussion: Potential Projects HOA Can Participate in With CDD

Mr. Herr reported that the HOA is preparing a list of potential projects for next year and they inquired if the District has suggestions for collaborated improvements. A resident asked why is there no HOA representative present. Mr. Herr indicated that the HOA requested that the District have a discussion and provide them with a list. The resident expressed confusion with this discussion and indicated that it was his understanding that Mr. David Coe, General Manager, has not completed the list of improvements; therefore, a discussion should not be held at this time.

Mr. Russell explained that the District is preparing the budget; therefore, improvements must be identified. He stated that he is not aware of any improvements within the boundaries of the HOA.

Mr. Adams suggested deferring this discussion and noted that the next Board Meeting will be held in February; Mr. Coe and the HOA may have a completed list by that time. Mr. Nelson proposed that the Board extend a formal invitation to the HOA to attend the next Board Meeting.

Mr. Herr believes that the list was initiated by the drainage problems near #9 in Paleo Park; there was confusion as to who was responsible for the repairs. He noted that the \$12,000 repair costs were equally shared between the District and the HOA. Mr. Herr reported that, during the road resurfacing discussions, Mr. Coe and the president of the HOA, Mr. Kevin McCrystal, asked the District to advise the HOA of any improvements that should be cost shared; hence, the discussion today. Mr. Herr indicated that he has no suggestions to add to the list.

Mr. Elliott recalled that the initial response, from the HOA, regarding cost sharing for the #9 drainage improvements was positive; however, the HOA rescinded their cooperation. Mr. Herr clarified that the HOA rescinded pending advice from their legal counsel. Mr. Elliott indicated that the HOA received legal advice and he believes their legal counsel determined that the repairs were made on HOA property; however, the District is cost sharing 50% of the expenses. Mr. Herr and Mr. Russell clarified that part of the damage was in the District's dry retention area (DRA). Mr. Russell indicated that he asked the HOA to pay 50% of the expenses and they agreed. Mr. Russell does not believe that the HOA should pay for all the repairs because the DRAs are the District's responsibility. Mr. Elliott pointed out that the cause of the

damage originated from HOA property. Mr. Russell concurred. Mr. Zimmerman noted that safety issues were a factor in making the repairs.

Mr. Herr indicated that the list will be presented during a future Board meeting, subsequent to its receipt from the HOA.

Referring to the drainage improvements made near #9, Ms. Bonnie Walsh, a resident, stated that she was not aware of the repairs or the costs and asked when the repairs were approved. Mr. Adams explained that the repairs were approved and are within the District’s budget. Ms. Walsh stated that it is good that the District and HOA desire to work together; however, this community has spent a lot of time making a distinction that the HOA is the ‘association’ and the District is a ‘government entity’ and the two (2) entities should be kept separate. Ms. Walsh wondered what the project collaboration is leading to. In response to the question where the future project list came from, Ms. Walsh deduced that it came from Mr. Coe. Mr. Elliott clarified that this is the Board’s assumption. Mr. Herr explained that the #9 drainage improvement was initiated by the District and the potential projects list was initiated by the HOA. Ms. Walsh stated that she was not aware that the HOA approved the \$6,000 expenditure for the drainage improvement.

FOURTH ORDER OF BUSINESS

Approval of October 8, 2013 Regular Meeting Minutes

Mr. Herr presented the October 8, 2013 Regular Meeting Minutes and asked for any additions, deletions or corrections.

The following change was made:

Lines 13 and throughout: Change “Elliott” to “Elliot”

On MOTION by Mr. Russell and seconded by Mr. Nelson, with all in favor, the October 8, 2013 Regular Meeting Minutes, as amended, were approved.

FIFTH ORDER OF BUSINESS

Other Business

- **Concerned Citizens’ Fund**

Mr. Herr recalled that the Concerned Citizens agreed to donate the remaining \$14,623 in their fund, to the District. He presented the check from the Concerned Citizens and reported that the District and the Concerned Citizens executed an agreement stipulating that at least \$3,000 will be withheld, for a minimum of six (6) months, in case other members come forward to request a refund. The agreement also stipulates that the money gifted to the District will only be used for clearing and installing walking trails, picnic facilities and general improvements to the nature area in the newly acquired property. Any funds remaining, subsequent to the six (6)-month period, will be utilized for future improvements in the best interest of the community.

On MOTION by Mr. Nelson and seconded by Mr. Elliott, with all in favor, the Concerned Citizens' Fund Agreement and the donation, in the amount of \$14,623, were approved.

▪ **Engineer Update: Reclaimed Water Project Activities**

****This item previously 6.B.i., was presented out of order.****

Mr. Herr reported that the District executed the Cooperative Funding Agreement. He advised that copies of the agreement were disseminated to the Board and the original was provided to Mr. Adams, for placement in the District's public records.

Mr. Herr asked Mr. Heath to provide an update regarding the reclaimed water project.

Mr. Heath indicated that his firm is currently working on the plans and Mr. Stroud is updating the base map. He advised that his firm did not have "as built" information on three (3) or four (4) villages and were obligated to compose the information from scratch, which took additional time. Mr. Heath stated that a meeting will be held tomorrow to initiate work on the sheet layout. The plan is to present a full set of drawings to the Board by Christmas, prior to the county's review.

Mr. Herr asked if the county will prepare specifications, subsequent to their review of the drawings. Mr. Heath clarified that his firm will prepare the specifications, plans, etc., and the county will review, edit and provide their comments. Mr. Herr presumed that there will be several iterations, prior to the final specifications. Mr. Herr questioned whether plans will be presented to the Board during the February meeting. Mr. Heath explained that the idea is to have all the plans completed and ready for bid by the end of January.

Mr. Heath advised that Ms. Pamela Wright, of Pasco County Utilities (PCU), informed him the day before that PCU has not received the executed Cooperative Funding Agreement from Southwest Florida Water Management District (SWFWMD). Mr. Heath noted that the project has been approved and the county will not release a formal contract until the executed agreement is received from SWFWMD; he does not anticipate any problems.

Mr. Herr recalled delays with the permits when villages, within the District, were previously connected to the county's reclaimed water system. He asked if the county will prepare all the permits. Mr. Heath clarified that there will be one (1) permit. Mr. Heath asked how the boring underneath the road will be handled. Mr. Herr recollected that, with the prior village connections, an agreement was entered into between the District, the HOA and village, to allow the boring to take place. Mr. Heath indicated that an agreement, similar to that prepared in the other villages, will be necessary for the areas that are outside of the right-of-way or an existing easement.

Ms. Linda Mariano, a resident, questioned the estimated time frame for the effluent water installation. Mr. Heath indicated that the intent is to have the plans completed by the end of January and noted that the bidding phase takes approximately two (2) months. The project is contingent upon the county's schedule; however, Mr. Heath estimates that the project will be underway in May. Mr. Heath anticipates that the boring contractors will be on site first. Submittals for materials must be provided, for approval, and it usually takes an additional two (2) months for the materials to be received. Mr. Heath expects the project to be completed after Christmas, 2014.

Mr. Russell advised that he has a booklet containing information about the wells that were installed within the boundaries of the District. Mr. Heath confirmed that he would like a copy of the booklet.

Mr. Nelson indicated that the Board should have knowledge of the number of wells that will be closed, in case they are questioned residents. It is Mr. Nelson's understanding that 28 wells will be closed. Ms. Walsh asked if that amounts to all the wells within the District. Mr. Heath explained that all the wells should be shut down; the only wells that will be used are the augmentation wells, which are utilized in the event Pond #5 is not receiving effluent water from the county, intended for golf course irrigation.

For clarification, Ms. Rosie Tilton, a resident, asked Mr. Nelson if the 28 wells, that he referenced, are comprised of 18 wells installed by Lennar Homes, Inc. (Lennar) and ten (10) preexisting wells. Mr. Nelson indicated that Mr. Gary Wind provided the information. Mr. Herr recalled that Lennar drilled 23 wells and there were five (5) preexisting wells within the villages. Ms. Tilton stated that, to her knowledge, all the wells that were permitted were not drilled. She was under the impression that Lennar drilled 18 wells.

Mr. Herr reported that the contract between the District and ValleyCrest Golf Course Maintenance, Inc. (ValleyCrest), will expire on December 31, 2013. He explained that the contract is a renewal/extension and will not undergo the bidding process.

Mr. Adams clarified that the contract is for a three (3)-year period with two (2), one (1)-year extensions. The three (3)-year contract period expires on December 31, 2013; therefore, the Board can consider the first one (1) year option, for the 2014 calendar year, in the amount of \$79,459.56, plus the Consumer Price Index (CPI) increase, which is a standard increase. Mr. Adams presumed that the CPI will be posted by mid-December. He noted that the 2013 CPI was 1.7%; however, he anticipates this year's percentage to be higher. Mr. Adams noted that ValleyCrest's performance has been satisfactory. He believes that the contract does not need to be put out to bid.

On MOTION by Mr. Elliott and seconded by Mr. Russell, with all in favor, the one (1)-year extension of the ValleyCrest Golf Course Maintenance, Inc., Contract, in the amount of \$79,459.56, plus the Consumer Price Index increase, was approved.

▪ **Environmental Dry Retention Areas (EDRAs)**

Mr. Russell reported that the residents on Sun Tree Road submitted a request for the removal of the grass on the EDRA that is facing their homes and to have that area replanted. The residents expressed dissatisfaction with the maintenance of that EDRA. Mr. Russell proposed including the project in the Fiscal Year 2014 budget.

Mr. Pike, a resident, provided a history of the deteriorating maintenance of the EDRA. He indicated that ValleyCrest rakes the debris but does not pick it up. Mr. Adams asked Mr.

Pike to provide his first name for the record. Mr. Pike declined. Mr. Elliott asked what debris ValleyCrest is leaving behind. Mr. Pike reiterated that the debris is raked but not picked up.

Mr. Herr inquired about the best time for planting. Mr. Adams confirmed that April or May are good months for planting. Mr. Russell indicated that it will depend on the weather and noted that the plantings cannot be performed at this time. Mr. Russell clarified that sod or vegetation will be planted in that area. It was noted that Mr. Russell is referring to EDRA #2A.

Mr. Russell motioned for refurbishment of EDRA #2A. Mr. Elliott stated that projects are placed on a priority list that that is based on available funds; he suggested adding this project to the priority list. Mr. Elliott agreed that the debris should be picked up from the lake area.

Mr. Herr reported that Fiscal Year 2014 began in October and \$20,000 was allocated for "Dry retention pond refurbishment planting". Mr. Herr suggested making one (1) motion for refurbishment of all the EDRA's.

Mr. Elliott stated that EDRA #40 is on the refurbishment list and currently has a 1:2 slope, making it impossible to maneuver mower equipment. If a repair is performed, the slope must be decreased to 1:4, which will cost approximately \$11,000. Mr. Herr indicated that it might be better to eliminate the mowing by installing plants. Mr. Elliott clarified that the area has been planted and the vegetation is thick. Mr. Elliott indicated that homes do not overlook EDRA #40; therefore, complaints regarding aesthetics have not been received. Mr. Elliott pointed out that \$20,000 can be spent quickly. Mr. Russell stated that the least amount of money will be spent on EDRA #2A. Mr. Nelson asked Mr. Russell for an estimate to refurbish EDRA #2A. Mr. Russell stated that he does not have that information at this time.

Mr. Russell retracted his motion and asked Mr. Adams to suggest language for a new motion. Mr. Adams suggested a motion replanting bare areas on EDRA #2A, as a part of a larger project, later in the spring of 2014.

Mr. Nelson reported that he assessed EDRA #40, with the landscaping company, and it was determined that there is 1,232 square feet of sand in the bottom of the pond. He noted that the grass is progressing, except for the southeast corner. Mr. Nelson indicated that residents from Rolling Hills South submitted a petition to the District. Their complaint is that sand is carried, by the wind, into their patios, windows, etc. The residents are forced to constantly clean and power wash their properties.

Mr. Nelson presented an illustration depicting the inclusion of 150 plants to EDRA #40 at a cost of approximately \$1,400, excluding rocks. Mr. Russell noted that SWFWMD prefers that the EDRA basins are kept clear to allow percolation; therefore, he believes that the project might not be approved.

Mr. Russell noted that ValleyCrest will not clear the sand by hand; they might do it once per year but that is insufficient. He suggested installing shrubs and several large rocks to block the sand and referred to the work performed in EDRA #13, as an example of what SFWMD will accept.

Mr. Russell suggested tabling this discussion until further information is received.

Mr. Nelson reported that the residents are willing to donate funds for the EDRA #40 improvement and asked if donations are legally feasible.

Mr. Elliott noted a similar situation, approximately four (4) years ago, in EDRA #13 near Fairway Green. He recalled major complaints from residents regarding sand blowing onto their properties. It was mentioned that installing rocks and shrubs eradicated the problem.

Mr. Nelson expressed confusion with SWFWMD's EDRA qualifications; some are full of grass and some are full of sand. He asked what the distinction is. Mr. Heath indicated that the District's ground cover is a determining factor with SWFWMD's qualifications; moist ground cover calls for sand. Mr. Heath asked if EDRA #40 has sprinklers along the perimeter. Mr. Russell confirmed that there were sprinklers, in the past.

Discussion ensued regarding the aesthetics of various EDRA's. Mr. Nelson noted that the EDRA's, in Village 33, are grassed in beautifully. Mr. Heath explained that some areas stay moist longer than others and are able to sustain grass. Mr. Heath indicated that SWFWMD's concerns are that the volume of the EDRA's is not decreased, percolation is not impacted and the parameters of the base are not changed. In his opinion, SWFWMD will not have a problem with reducing the slopes and installing plants to eliminate mowing.

With regard to EDRA #40, Mr. Heath recommended "doing something along the sloped areas" and making sure that the irrigation is working; the sand will resist being picked up by the wind if it is kept moist.

Mr. Elliott opined that EDRA #40 is not irrigated frequently enough. He recalled that approximately \$40,000 was spent to refurbish that area and, if it is not irrigated at least once per week, erosion will reoccur.

Mr. Russell reported that he was previously informed by the ValleyCrest superintendent that SWFWMD's position is that, once plantings are installed on the slopes, irrigation is not necessary. Mr. Russell indicated that he had several discussions with ValleyCrest disputing this allegation, especially because he wanted to take advantage of the free reclaimed water during the month of November. Mr. Russell asked if Mr. Heath can clarify ValleyCrest's statement. Mr. Russell contended that the District expended a great deal of money installing sod in the EDRAs and they should be properly maintained.

Mr. Heath stated that there is a big difference between establishing vegetation on the slopes and maintaining them; inadequate irrigation is evident by thinning or dying vegetation.

Mr. Herr asked if a Board Member would like to volunteer to formulate a plan for refurbishing the EDRAs discussed today and present their findings during the February meeting. Mr. Nelson volunteered to work with Mr. Russell on this project.

▪ **Beauty & the Bees Landscape Proposal**

Mr. Russell presented a proposal from Beauty & the Bees for landscape designs in environmental wet retention areas (EWRAs) #20B and #24B, near #1 and #2 greens, in the amount of \$750; additional trips to the District will be charged at \$45 per trip. Mr. Russell stated that he would like a professional landscape design instead of the vegetation installed by ValleyCrest; ValleyCrest's vegetation will be removed. Mr. Elliott asked if Mr. Russell had an estimate for the landscaping costs. Mr. Russell explained that a landscaping proposal will be obtained subsequent to receipt of the design plan. Mr. Russell cautioned that the landscaping will not be "cheap".

Mr. Elliott asked how much was spent on the landscaping performed on #1. Mr. Russell confirmed that the cost was \$12,000 and noted that three (3)-gallon plants were installed. Mr. Russell explained that the landscape design will include the number of plants necessary to bring each plan to fruition. Mr. Zimmerman recalled that the decision was made to purchase mature, three (3)-gallon plants to avoid a two (2)-year wait time for them to grow; however, in this case, that might not be necessary.

On MOTION by Mr. Zimmerman and seconded by Mr. Nelson, with all in favor, the Beauty & the Bees landscape design proposal for EWRAs #24B and #20B, in the amount of \$750, was approved.

- **Private vs. Public Use of Acquired Property**

Mr. Herr reported that a request was submitted by bloggers, present today, for clarification on the private versus public use of the newly acquired property. Mr. Adams explained that general public access comes into play when a governmental entity utilizes tax exempt financing to acquire or construct a facility. In this particular case, the District acquired the property located outside of the gate using tax exempt funds. Mr. Adams stated that the provision is an IRS code, with regard to tax exempt financing and general public access to the use and benefit of those facilities.

Mr. Adams indicated that the property is subject to the IRS provision. He noted that the District can lease the property to a private entity, such as the Heritage Pines Master Association. A lease can be prepared for 99 years, allowing the lessee to construct facilities on that property during the terms of the lease. Mr. Adams clarified that those facilities will not be deemed public facilities; therefore, public access will not be mandated.

Mr. Zimmerman indicated that comments were made on the website suggesting that the District place ads in the newspaper announcing that the parcel is public property, which he believes would not be very constructive. Mr. Adams was in agreement. Ms. Walsh stated that, if a facility is constructed on the property, the public will not have access to the private facilities but they will have access to the land. Mr. Adams replied that Ms. Walsh was correct in her statement.

Mr. Adams provided another scenario in which the District constructs a community center on that property, using tax exempt financing. A means to dissuade general public access is to impose the same annual operation and maintenance and debt service assessments to the public that is paid by District residents. In paying the assessments, a member of the public will be able to gain access to the facilities. Mr. Adams indicated that payment of the assessments is usually a deterrent. He clarified that the District is not obligated to place advertisements announcing that the facility was purchased with tax exempt financing and public access is granted.

Mr. Nelson asked if the District must provide a gate for public access to the property, or if the public must enter through the main gate. Mr. Adams indicated that it depends on how the property will be developed and suggested installing the entrance within the main gate. This will assist in controlling road access within the community, as well as access to the secondary piece

of property, which is contiguous to this gated community. Mr. Adams stated that, if this is not possible, the District can install an automated gate that will be visible from the current gate house. A call button can be installed and programmed to ring in the gate house to facilitate communication with the guards.

Discussion ensued regarding parking. Mr. Nelson noted that lack of parking will be another public deterrent. Mr. Adams agreed that parking can become a concern if the District decides to develop the property. Mr. Adams noted that, currently, the property is considered a passive natural park accessed by walking, bikes or golf carts. If vehicle traffic increases, Mr. Adams indicated that the District will have to develop parking and engage Mr. Heath to investigate the requirements and permits.

Mr. Elliott suggested not rushing a decision on how that property will be developed. The Board should proceed with installing the walking trails and consider not developing the property for another year. Mr. Elliott made a motion to leave the acquired property in its natural state for one (1) additional year, with the exception of installing a walking trail, picnic areas and a gate. Mr. Zimmerman seconded.

For clarification, Mr. Russell asked if Mr. Elliott is proposing an increase of one (1) year in addition to the year previously approved by the Board. Mr. Elliott replied affirmatively.

In response to Mr. Nelson's question, Mr. Elliott announced that two (2) bids were received to clear the property; one in the amount of \$3,200 and another for \$6,000.

Ms. Tilton referred to Mr. Elliott's motion and asked, if it is passed, it means that a decision will not be made on development of the property until 2015. Mr. Elliott replied affirmatively. Mr. Zimmerman noted that the Long Range Planning Committee (Committee) has not tendered any suggestions for the property. Ms. Tilton indicated that a list of suggestions was presented during a meeting held earlier that day. Mr. Zimmerman stated that the District will not enter into an agreement until the HOA and the Committee have settled on a plan for the property. Ms. Tilton asked if the results of the Committee's survey will impact the District's decision for the property. The Board replied no.

Mr. Russell confirmed that all electrical and telephone units on that property are capped.

Referring to the bids to clear the property, Mr. Nelson asked if Mr. Elliott is in favor of the lower bid. Mr. Elliott replied affirmatively and noted that the lower bid is less invasive and will keep the property in its natural state.

On MOTION by Mr. Elliott and seconded by Mr. Zimmerman, with all in favor, leaving the acquired property in its natural state for one (1) additional year, with the exception of the installation of a walking trail, a picnic area and a gate, was approved.

Mr. Herr clarified that, if the District receives a proposal for a lease agreement, from the Committee, the Board will consider it.

Ms. Walsh noted that the Board previously approved keeping the property in its natural state through December, 2013 and now it voted to keep in its natural state until 2015, with the exception of the walking trail and picnic table. For clarification, she asked whether the Board will consider a proposal for the property, if one was submitted. Mr. Elliott clarified that the decision will be subject to the Board’s approval.

Mr. Raymond Doolittle, a resident, asked if bark chips will be placed on the trail. Mr. Elliott reported that approximately 12 to 14 trees will be removed, chipped for mulch and placed on the walking trail. Mr. Doolittle stated that a muddy trail will be a safety hazard. Mr. Elliott indicated that a trash receptacle could be installed next to the benches on the trail.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being no report, the next item followed.

B. Engineer

i. Update: Reclaimed Water Project Activities

This item was discussed during the Fifth Order of Business.

C. Manager

i. Approval of Unaudited Financial Statements as of October 31, 2013

The Unaudited Financial Statements as of October 31, 2013 were included for informational purposes.

ii. NEXT MEETING: February 11, 2014 at 2:00 P.M.

The next meeting will be held on February 11, 2014 at 2:00 p.m., at this location.

SEVENTH ORDER OF BUSINESS

Supervisors' Requests

There being no Supervisors' requests, the next item followed.

EIGHTH ORDER OF BUSINESS

Adjournment

There being nothing additional to discuss, the meeting adjourned at approximately 3:00 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair