

**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, April 14, 2015 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:**

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

**Also present were:**

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Kurt Heath	District Engineer
John Burns	Golf Course Superintendent
Chris Ansley	Golf Course Assistant Superintendent
Chuck Eade	General Manager
Randy Doolittle	HOA President
Bart Cutshore	Resident
Gene Estensin	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]**

There being no public comments, the next item followed.

**THIRD ORDER OF BUSINESS**

**Update: Reclaimed Water Transition Activities**

Mr. Russell reported that the contract for the reclaimed water transition will be presented to the County Commission on April 21, 2015; no problems were anticipated. The contractor is expected to be onsite the last week in April or first week in May. He pointed out that emergency crews were dispatched to Majestic Pines, Hill Top and Country Green. Majestic Pines was a priority because residents had no water but should have water now. Mr. Russell reported that Country Green is almost completed, with one pipe installation remaining. He did not know when the emergency work in Hill Top would be completed but, indicated that it should be soon; the crew stopped work to handle another problem.

**FOURTH ORDER OF BUSINESS**

**Discussion/Update: Revised Dry Retention Area Maintenance Contract with Master Association**

Mr. Adams reported that he spoke with Mr. Chuck Eade, Master Association General Manager and Mr. Russell, noting that the current offer with the Heritage Pines Community Association (HPCA) is \$65,000 per year, based on three months of accounting, projected annual payroll amount and other ancillary goods that are part of the maintenance program. Mr. Adams indicated that \$87,000 was budgeted. A revised and restated agreement will be prepared, with the new terms, recognizing that any additional work, beyond the standard scope of services, will be based on actual cost, with no markup. Mr. Adams advised that proposals will be included with the agreement. He was comfortable with the savings, which he found reasonable. Mr. Adams will prepare the final agreement and asked the Board to authorize execution by the District Manager and the HPCA, upon completion.

In response to Mr. Russell's question, Mr. Adams indicated that the initial term is five years, similar to the agreement with ValleyCrest; each year the agreement will be revisited, due to increases in payroll and health benefits, and be included as part of the budget discussions.

Mr. Russell asked if the contract contains an automatic five percent increase. Mr. Adams advised there are no automatic escalators or consumer price index (CPI) adjustments. The intent is not to charge anything additional to the HPCA to maintain CDD areas; the District benefits from not paying an outside contractor.

Mr. Doolittle asked if the \$65,000 is prorated for nine months of Fiscal Year 2015. Mr. Adams indicated that the \$65,000 would be effective May 1, 2015. Mr. Doolittle questioned the annual amount in the Fiscal Year 2016 budget. Mr. Adams replied \$65,000, plus additional

markup; if a change occurs between when the proposed budget is presented in May, and the Public Hearing, in August or September, it will be included in the Fiscal Year 2016 budget. Mr. Burns advised that staff reviewed the actual costs for the first three months of this year and projected out the remainder of the year.

In response to Mr. Doolittle's question, Mr. Adams indicated that the leases on the machinery remain with the District until paid off. Mr. Doolittle questioned the plan after the machinery is paid off. Mr. Adams pointed out that the District will utilize the machinery until it becomes too expensive to maintain. Mr. Eade noted that the machinery will be utilized as long as the maintenance costs remain reasonable, then, a new lease can be obtained.

Mr. Doolittle asked if the expectation was for the equipment to be used by the District, even though it can be used anywhere on the golf course. Mr. Adams replied no; the equipment is owned by the CDD, to be used only in CDD areas. Mr. Burns confirmed that the equipment was not used by the golf course. Mr. Doolittle stated that he was comfortable moving forward, based on golf course staffs understanding that the equipment is only for CDD use. Mr. Burns pointed out that, once the lease expires, this arrangement would be reassessed. Mr. Adams advised that, once the equipment is no longer cost effective, it will be considered surplus and new equipment will be acquired.

Mr. Gene Estensin, a resident, voiced his understanding that the Greens and the Common Grounds Committees are requesting that more dry retention areas have a sand bottom and asked how a sand bottom would be impacted by the current discussion. Mr. Adams noted that the initial cost of returning the dry retention areas to a sand bottom, which would require rotor tilling, removal and importing sand. The change would result in a reduction in labor, due to a reduction in the amount of grass to be cut.

Mr. Russell cautioned that the dry retention areas were designed by the assistant architect, when the golf course was completed, and the CDD followed what was required. He felt that the Greens and Common Grounds Committees should consider this matter further and discuss it with the Board or with Mr. Burns before deciding to dig up the dry retention areas.

Mr. Elliott recalled that the original cost was covered by another entity. Mr. Russell indicated that the retention ponds were paid for by the golf course, under an agreement.

Mr. Estensin stated that there is room in the contract to negotiate for the restoration work. Mr. Elliot pointed out that there is an offsetting factor to be considered because of the mowing and maintenance of the dry retention area bottoms. Mr. Burns stated that there would be no

savings because of the herbicides and tilling necessary to make the dry retention areas presentable so it does not return to weeds.

Mr. Russell stressed that the committees and the District must reach a consensus regarding what should be done. Mr. Estensin voiced his intention for the Greens and Common Grounds Committees to meet with the District and prioritize the dry retention areas. Mr. Burns reported that environmental dry retention area (EDRA) 4 is being considered and, at the Greens Committee meeting, it was discussed that going forward, any changes would involve the golf course architect.

Mr. Estensin recommended that EDRA 10 be restored because it extends around the greens and provides a view of the clubhouse; it would help speed up golf play and coordinate with what the golf course is doing. Mr. Estensin agreed that everyone should work together. Mr. Russell requested discussing EDRA 10 separately.

Mr. Russell asked for objections to restoring EDRA 4. Mr. Burns indicated that the first EDRA on the priority list is EDRA 12B.

A resident asked if \$22,000 was spent during the first three months of the year, since \$87,000 was budgeted and \$65,000 was owed for the last nine months. Mr. Adams replied no; the cost is \$7,250 per month, for October, November, December, January, February, March and April. ValleyCrest will be paid for the first three months and the HPCA will be paid for the first four months of this calendar year. Mr. Adams advised that, in May, according to the revised and restated agreement, the projected yearly cost is \$65,000, which will be verified through ongoing monthly accounting by Mr. Eade, and covers the HPCA's actual cost to provide maintenance of all dry and wet retention areas, with no markup, while providing a reduction to the District, through no longer paying profit margins and receiving a higher level of service.

**FIFTH ORDER OF BUSINESS**

**Approval of February 10, 2015 Regular Meeting Minutes**

Mr. Adams presented the February 10, 2015 Regular Meeting Minutes and asked for any additions, deletions or corrections.

The following changes were made:

Line 11: Change "Chair" to "Assistant Secretary"

Line 12: Change "Vice Chair" to "Chair"

Line 15: Change "Assistant Secretary" to "Vice Chair"

Line 21: Remove “Golf Course”

Line 265 and throughout: Change “Mark” to “Bart”

Line 267: Change “it” to “HPCA”

**On MOTION by Mr. Elliott and seconded by Mr. Nelson, with all in favor, the February 10, 2015 Regular Meeting Minutes, as amended, were approved.**

**SIXTH ORDER OF BUSINESS**

**Other Business**

Mr. Herr presented a letter from the Greens Committee, requesting valley gutters at transition areas. Since no one was present from the Greens Committee, Mr. Adams suggested tabling this item to the June meeting and inviting a representative of the Greens Committee to attend.

**On MOTION by Mr. Elliott and seconded by Mr. Russell, with all in favor, tabling of the request from the Greens Committee for valley gutters at transition areas, until the June meeting, was approved.**

Mr. Nelson asked if the District Engineer must review this request. Mr. Adams replied affirmatively. Mr. Zimmerman suspected that the Southwest Florida Water Management District (SWFWMD) must review the request and might object. Mr. Adams disagreed, as this is an internal request and the Board needs to understand the goals and objectives while considering proposals. Mr. Adams requested that the Greens Committee provide their materials and participate in the discussion; Staff will place this item on the next meeting. Mr. Zimmerman did not believe that the District was involved. Mr. Adams confirmed that the Board has authority to approve the gutters, without interference from outside agencies. Mr. Zimmerman pointed out that the gutters must not interfere with wastewater management. Mr. Adams indicated that drainage has not been identified as a deterrent; it is commonly used in the south to soften the transition over the gutters and what was presented to the Board was not presented at face value.

Mr. Eade explained that the responsibility of the Greens Committee is to advise the Golf Course Superintendent and General Manager on the conditions of the golf course turf. He indicated that two different objectives were discussed and one was to inspect the steel plates and

ramps on the bridges. Mr. Eade stated that the Greens Committee wants to evaluate drainage from the golf cart path to the street because of the curb. Other options include wheelchair ramps or a metal plate, which is a common practice, throughout Florida. Mr. Eade pointed out that the Board must decide what looks better for the golf course.

Mr. Zimmerman suggested that the Board view Timber Pines. Mr. Eade preferred to be consistent with what is already on the golf course.

Mr. Herr questioned why a June meeting was necessary because this issue will be discussed by the HPCA. Mr. Adams indicated that, if the CDD does not need to do anything to the gutters, the District is no longer involved and a modification to the cart path is the responsibility of the golf course, which is why the goals and objectives must be defined. Mr. Adams preferred that the HPCA revisit this matter and, if it does not involve gutters, it does not need to come before the Board.

Mr. Herr recalled that the Board decided, at the last meeting, to wait until there was more time to speak with the HPCA regarding plantings for the right side of Pond 2. He pointed out that the District did not request compensation from ValleyCrest; the compensation will be split between the District and the HPCA. Mr. Herr requested recommendations from the Board and noted that, if there is an urgency to replant, an arrangement could be negotiated with the HPCA.

Mr. Elliott suggested installing irrigation through an existing valve with a 180 head, at a cost of approximately \$500.

Mr. Herr agreed with irrigation and replanting.

Mr. Russell was advised by Mr. Burns and Mr. Eade that additional staff was hired to maintain EDRA 20, 24 and 40. They are drafting a proposal for Pond 2.

Mr. Herr asked if the Board can motion now to spend a specified amount on irrigation and replanting for Pond 2, as the Board does not meet for 60 days and this is the planting season and most opportune time to plant. Mr. Russell agreed.

Mr. Russell asked Mr. Eade for an estimate. Mr. Eade explained that the plan is to split the grasses and remove materials from the gazebo beds. Mr. Eade believed that no one wanted to spend another \$30,000, given the end result. Mr. Eade explained that it was a good attempt, which will be rectified but will take time, perhaps several growing seasons. Mr. Eade plans to plant ten or 15 three gallon plants per month and keep the bed weeded, sprayed and watered, through an irrigation line. He believed this would make the area presentable and would not be costly. Mr. Russell pointed out that installing an irrigation line is priority.

Mr. Herr asked if this necessitated an expenditure for the District. Mr. Eade indicated that the HPCA is trying to save the District money by breaking up the grasses, moving them around and removing plantings from the gazebo bed; however, some materials must be purchased. Mr. Herr assumed that the District will pay for the irrigation. Mr. Eade concurred and noted that staff will determine where and when sprinkler heads are needed.

Mr. Nelson recalled discussion about installing 500 plants to fill the areas.

Mr. Nelson agreed with Mr. Elliott that installing irrigation is the first step and asked how frequently EDRA 40 is irrigated. Mr. Ansley replied that irrigation occurs three days per week and it was sprayed with Roundup®, today. Mr. Nelson thanked Mr. Ansley for spraying Roundup®.

Mr. Russell asked Mr. Burns and Mr. Ansley to provide estimates for irrigation to Mr. Adams, who will forward the estimates to the Board, for consensus, so staff can proceed.

**SEVENTH ORDER OF BUSINESS****Board Member Reports****A. Ponds and Lakes: *Supervisor Robert Zimmerman***

Mr. Zimmerman met three times with the HOA Maintenance Manager, Mr. Gary Wind, who contacted LakeMasters Aquatic Weed Control, Inc. (LakeMasters), about their treatment schedule. Mr. Zimmerman and Mr. Wind are scheduling a meeting with LakeMasters.

Mr. Adams indicated that LakeMasters will be onsite April 17 and May 1, 2015; this Friday, LakeMasters is performing midge and lily pad treatments on the big lake, along with routine treatment of algae and shore grasses. He reported that the last lily pad reduction was last fall.

**B. Finance Matters and Negotiations: *Supervisor Gilbert Herr***

Mr. Herr had nothing to report.

Mr. Adams will meet with Mr. Herr regarding future refinancing.

Mr. Herr indicated that the original bonds will be paid off in May, 2020. Mr. Adams reported that these bonds were refinanced four or five years ago.

Mr. Russell questioned the amount of payments made for the two projects, as of this October. Mr. Herr estimated three-and-a-half years of payments for the land and two years of payments for reclaimed water. Mr. Adams clarified that there were three years of payments on the land and the District would have collected revenue against two years, although the District does not have the obligation and will need to discuss financing options with a bank for the

effluent. Mr. Herr understood that there is no obligation to pay off the bonds until the project is completed, which is estimated to take nine months.

Mr. Russell reported that he met with Ms. Pamela Wright, of Pasco County Utilities (PCU), and was informed that, as of 2015, there is no charge for the backflow valve. He did not know what would happen afterwards, as the charge was eliminated by Mr. Bruce Kennedy of Pasco County.

Since the plan is to break ground in May and the Board is not meeting until June 9, 2015, Mr. Herr suggested that the General Manager, Chair and District Engineer meet with the contractor, bring pictures to the next meeting and contact the media for publicity. Mr. Eade indicated that the new Communications Committee is taking advantage of every opportunity to market Heritage Pines through newspapers and press releases and the establishment of a water conservation program. Mr. Herr commented that the CDD prepared good information about water conservation. Mr. Burns suggested contacting the Audubon Society. Mr. Herr agreed with all suggestions.

Mr. Bart Cutshore, a resident, suggested filming events and uploading to YouTube®.

**C. Common Grounds Interest to CDD: *Supervisor Herbert Elliott***

Mr. Elliott indicated that Mr. Estensin did a great job describing the direction of the common grounds but recommended that the proper provisions be made upfront, for irrigation, based on perimeters and boundary lines, which were well established by the CDD. He pointed out that the CDD Board had no problem with anything the Common Grounds Committee chooses to do around the perimeters of CDD property and waste areas. Mr. Elliott reported that Ponds 4 and 12B are next and a meeting is planned between the Common Grounds Committee and SWFWMD. He was told that pets are being permitted access to waste areas and pointed out that this is prohibited and should be handled by the Common Grounds Committee.

Regarding the need for irrigation, Mr. Estensin reported that the Common Grounds Committee asked Mr. Burns and Mr. Ansley to perform a water study and offered to share their findings with the CDD Board. Mr. Burns advised that he has a printout of areas that have irrigation. Mr. Russell recalled that the last water study was performed six or seven years ago.

Mr. Nelson reported that many residents do not pick up after their dogs and suggested initiating a campaign. Mr. Eade indicated that, as the rules and regulations of the HPCA are continually updated, there are better guidelines so residents know where they can walk dogs; the language was clarified to reflect that pets are not allowed in the EDRAs. Mr. Nelson pointed out



that, this week, he noticed a resident picking up feces with a plastic bag and throwing it into the drain. Mr. Russell indicated that tough regulation of the EDRA's started after photos surfaced of a man drinking beer and throwing the cans into the inlet, which eventually flowed into the EDRA's.

**D. Reclaimed Water Project: *Supervisor Raymond Russell***

Mr. Russell reported that he received a letter from Mr. Robert Scott, of Nestlebranch Court, requesting buoys on Pond 18, for a sailboat.

There was consensus from the Board to allow the buoys.

**E. Golf Course and Surrounding Areas: *Supervisor Jack Nelson***

Mr. Nelson had nothing to report.

Mr. Russell reported that rocks for the golf course are \$200 each.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

There being no report, the next item followed.

**B. Engineer**

Mr. Heath reported that the reclaimed water transition project should be officially approved in the next few weeks, at which time, a pre-construction meeting will be held with the contractor and a formal schedule will be provided to the Board. He pointed out that the transition is anticipated to commence in June but some villages may start sooner; by the time the transition starts, nine villages will be fully or partially connected.

Mr. Russell indicated that Ms. Wright and Mr. Anderson, from PCU, advised that the maintained villages will be completed first, which requires installation of a 12" line, from Nestlebranch Court to Pond 12.

Mr. Doolittle asked if all infrastructure, in place, will remain. Mr. Heath indicated that everything in the ground will tie into villages that have existing irrigation.

**C. Manager**

**i. Approval of Unaudited Financial Statements as of February 28, 2015**

Mr. Adams presented the Unaudited Financial Statements as of February 28, 2015. He indicated that assessment collections were at 92%. Mr. Adams noted, on Page 2, that "Total professional and administrative fees", under "Expenditures", showed 49%; but prorated, should

be 42%. The overage was due to one-time expenses of “Audit” at 72%, “Insurance” at 96% and “Principal (FY 2012 land purchase)” at 100%.

Mr. Adams indicated that, on Page 3, total expenditures for “Professional and administrative fees” and “Operations and maintenance” were 24%; prorated would be 42%, through five months.

Mr. Adams reported that, on Page 4, the debt service interest payment was made on November 1, 2014; the remaining interest payment and one-time principal payment will be made on May 1, 2015.

**ii. NEXT MEETING: June 9, 2015 at 2:00 P.M.**

Mr. Adams indicated that the next meeting will be held on June 9, 2015 at 2:00 p.m., at this location.

**NINTH ORDER OF BUSINESS**

**Supervisors’ Requests**

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

**TENTH ORDER OF BUSINESS**

**Adjournment**

There being nothing further to discuss, the meeting adjourned.

**On MOTION by Mr. Russell and seconded by Mr. Herr, with all in favor, the meeting adjourned at 2:50 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

  
Secretary/Assistant Secretary

  
Chair/Vice Chair