

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

A Public Hearing and Regular Meeting of the Heritage Pines Community Development District's Board of Supervisors was held on **Tuesday, September 13, 2016 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
Bill Crusselle	General Manager – Master Association
John Burns	Golf Course Superintendent
Chris Ansley	Assistant GC Superintendent
Bart Cutshall	Supervisor-Elect
Randy Doolittle	Resident
Bill Cutler	Resident
Dorothy Cutler	Resident
Malcolm Brahm	Resident
Herb Brim	Resident
Dean Kitchin	Resident
Roy Dolsky	Resident

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. Randy Doolittle, a resident, reported reduced water pressure issues with reclaimed water in Pine Grove. Ms. Kim Norton, Pine Grove Manager, advised of two villages with the same problem, resulting in intermittent pressure and loss of grass, all over the community, due to inadequate coverage and inadequate amounts of water. Ms. Norton was asked to research the issue. A meeting would be held with the irrigation contractor, tomorrow, to discuss possible solutions.

Mr. Heath was aware of the varying pressure issues, which had been occurring for a long time. If the County cannot keep constant or maintained pressure, at a certain level, another project would be necessary. The County is supposed to maintain a constant discharge pressure. During the day, the County is filling ponds because they are not set up for residential irrigation in the day time; it is reserved for night time. Sometimes, when irrigation workers were on site, during the day, the pressure was low, which was not alarming; however, it would be another issue, if it occurred at night, when residents are supposed to be irrigating. During the day, Mr. Heath saw the irrigation go from zero to 30 or 40, because the County was dumping in the pond and not trying to maintain pressure. The problem was that irrigation personnel work during the day.

Mr. Doolittle asked Mr. Heath to contact Ms. Norton, prior to leaving today.

A resident reported similar issues in other villages. The original design called for two connections but only one was installed. There was very little pressure, on the far end, where there was pressure before. With regard to what Mr. Doolittle was referencing, varying pressure may have lessened, lately. Sometimes the pressure was off and sometimes it was partially on. The biggest issue was that the pressure was lower than before, with the wells. Another connection would be necessary, at some point, for that particular loop.

Mr. Heath had been speaking with Fritz about the issue for awhile. It was probably more internal to Pine Grove, with its internal irrigation piping, versus other villages. He would discuss remedies to help Pine Grove, as there may be a timer issue. The west side of Pine Grove has lower pressure than the east side. Every village must have one connection to the County because there is only one meter, per village. If there was a way to loop to the village, on the west side, it might improve. Mr. Heath needed Fritz to advise where the piping ends are located. Then, they could determine what to do to improve the situation. Mr. Heath and Fritz were supposed to meet to discuss the model.

Mr. Dean Kitchin, a resident, stated that his village has its own connection and the reclaimed water system was completely shut off; there was no water pressure, at all. By being allowed to water twice per week, if any one of the villages missed one watering, they would have issues because watering is only permitted twice per week. At night, when different zones were to be watered, residents observed that there was no water in the supply line. If Pasco County could email a certain group to advise that the water system would be shut down for a certain time, it would allow residents to manually water on that day, if the regularly scheduled watering was missed, and prevent grass from not being watered for four or five days.

Mr. Russell felt that communication in the Association office could be improved. Somebody was providing incorrect information, which the CDD Board and HOA General Manager, Mr. Bill Crusselle, were trying to correct. Someone in the office must be able to resolve resident issues.

Mr. Kitchin asked if the HOA office could be notified by the County; the HOA could then email the village and the village board could manually turn on the controller so that residents could water at night and not miss a day.

Mr. Russell stated that, two weeks ago, someone turned off the wrong valve, which shut down much of the system. Neither he nor Mr. Herr knew what occurred until later but it was not the CDD's responsibility. Mr. Heath was notified, and then Pasco County Emergency Services; much time elapsed because it was a weekend. This issue must be corrected.

Mr. Bill Cutler, a resident, stated that, based on the Engineer's Report and discussion at subsequent meetings, the sinkhole on Brooklawn Drive would be monitored, every six months, to determine whether the ground structure was worsening. Initially, ground penetrating radar was to be used. Those who were involved with the repairs told Mr. Cutler that radar was used but there was no reference in the Engineer's Report. He asked for clarification of whether ground penetrating radar was used and, if not, if it should have been. If radar was used, Mr. Cutler wanted to know why it was not referenced in the report.

Mr. Heath stated that radar was not used there, which was why it was not referenced in the report. A geotechnical company advanced three borings, around the sinkhole area, to determine what was below grade, down to the limestone. Mr. Heath asked about the end benefit to using ground penetrating radar, not so much in the area where the sinkhole occurred but around it, perhaps under the roadway or adjacent to the house. The geotechnical firm indicated that radar would not be effective because it only reaches a certain distance. Most areas with less

stable soil were much deeper, so using ground penetrating radar did not appear to be a cost-effective approach. The main recommendation was for anyone living in the area of Pasco or Hernando County to have insurance. The concern was the road and Mr. Cutter's house. A surveyor surveyed the area and it was regraded and sodded. Survey measurements were taken for grade, for monitoring purposes, to determine if there was continued movement in the area. Most issues were deep in the ground and would not be picked up on surface radar. Insurance should be obtained in case something should occur, such as sinkholes, which are common. The information in the geotechnical report included disclaimers, such as "We cannot confirm anything yet".

Mr. Russell stated that Universal Engineering wanted to dig 2' below the sinkhole, which is 18', and 20' around each side of the edge, to install mesh and then fill the hole, which would cost approximately \$40,000 to \$65,000. Nothing would be gained, which was why the issue was resolved in this manner. The only other option would be to run a sonar sled on the road to determine whether there were any voids under the street. Mr. Russell could not say whether this would be a future project or the cost of the project because the roads are HOA property.

Mr. Cutler spoke with an engineer who serves as an expert witness in cases involving sinkholes. They discussed the issue on Brooklawn and, while the engineer could not determine anything definitive, this type of sinkhole was generally in close proximity to the road because of some type of leakage. Soft soils could remain in place for hundreds of years, as long as there was no water intrusion. Mr. Cutler mentioned the reclaimed water system, with a pipe under the road that exits 20' to 25' from where the sinkhole occurred, and the engineer said it could possibly be a problem. Although Mr. Cutler is not an engineer and it was a general conversation, it remained a cause for concern. If a certain type of soil exists under the road and, with comments regarding water pressure coming through the pipe when it was being installed under the roadway, there may be issues. Mr. Heath heard reclaimed water piping mentioned but the piping was installed with a directional drill, just below grade. The work is typically within 5' of the surface. The subsidence found in the boring spec was much deeper, 35' to 40', and has nothing to do with the reclaimed water piping. Subsidence is found in areas where there is stormwater piping; perhaps there is a leak in a piping joint or soil continues to erode but nothing was in the area where the sample was taken. Loose soil was found way below grade but there was no impact on the recent project or any other previous piping installation.

THIRD ORDER OF BUSINESS

**Public Hearing to Hear Comments and
Objections on Adoption of Fiscal Year
2016/2017 Budget**

A. Affidavit of Publication

Mr. Adams presented the affidavit of publication for today's Public Hearing and Regular Meeting.

B. Consideration of Resolution 2016-4, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017

Mr. Adams presented Resolution 2016-4 for the Board's consideration. This was the appropriation adoption resolution, which would adopt the budget. Assessments for the area outside of Pine Ridge reduced from \$482.87 to \$478.57. Inside Pine Ridge, assessments increased from \$397.37 to \$420.14. In Fiscal Year 2017, the final principal and interest payments would be made on the property in the front. No principal and interest payments would be made on the effluent project because it would be paid off, based on collections made over the last three years. The same amount would be collected in Fiscal Year 2017; however, it is intended to restore the surplus fund balance, as noted on Page 2, in "Excess/(deficiency) of revenues over/(under) expenditures", in the amount of \$72,000. The "Fund balance – ending (projected)" would be \$143,964. The District did not have to borrow or pay the cost to borrow money, which was anticipated to be 5%, over five years. The District assessed for four years, rather than having to pay the costs of borrowing money, which would have been the fifth year.

Mr. Nelson asked Mr. Adams to comment because Board Members were asked by residents where the rebate checks were. Mr. Adams responded that rebate checks were not generally issued because the District does not collect reserves, unless it is for a specific purpose. A surplus fund balance should be maintained, for 25% to 50% of the annual budget. If periodic issues dealing with Environmental Dry Retention Areas (EDRAs) and potential sinkholes within them were not occurring, the figure would be closer to 25%, which represents the first three months of operating expenses before revenues are received for the fiscal year, which begins October 1. Surplus funds above 25% are for expensive, unforeseen expenses, such as EDRAs and sinkholes. A governmental entity cannot obtain insurance for operating EDRAs. The budget looked good, with an average of about \$350,000 per year in actual expenditures, and would decrease to slightly less than \$300,000, annually, for regular, routine operations. \$100,000 should be retained for gap funding needs. About \$44,000 in surplus would be

accumulated by the end of Fiscal Year 2017. Assuming no unforeseen occurrences, a reduction in assessment levels was anticipated. No special projects were planned, the land repayment would end and the loss of approximately \$140,000 to \$150,000 of appropriations, in Fiscal Year 2017, would have a significant effect on the assessment levels.

*****Mr. Adams opened the Public Hearing.*****

Ms. Dorothy Cutler, a resident, asked if it was possible to add a line item for cleaning gutters in the community. Mr. Adams stated that the maintenance and cleaning functions of the roadways and sidewalks, including gutters, were functions of the HOA; the District does not own nor maintain the roads. The curbs, gutters, sidewalks and roads are owned and operated by the HOA, which is better for residents because, if they were owned and operated by the District, there would be full, public access to the roads because the CDD is a governmental entity.

A resident asked if it was definitive that the CDD does not own the curbs. Mr. Adams stated that the curbs and gutters are part of the roadway system. They receive runoff from the road and are owned by the HOA. The crossings, the direct connection from EDRA to EDRA, or wet retention pond to wet retention pond, are the trunk drainage system, which is owned and operated by the District. In response to the resident's question, Mr. Adams responded that the District could clean the boxes owned by the District; however, they would stand out, if the rest were not cleaned. Residents either pay for cleaning through the HOA or the CDD. If each entity performs maintenance on items they own, the efforts must be coordinated. The CDD could possibly take on the responsibility of the HOA's portion of the contract so there would be one coordinated effort. Mr. Crusselle did not know the curbs were dirty. Mr. Adams would discuss it with Mr. Crusselle.

*****Mr. Adams closed the Public Hearing.*****

On MOTION by Mr. Elliot and seconded by Mr. Herr, with all in favor, Resolution 2016-4, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017, was adopted.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2016-5,
Imposing Special Assessments and
Certifying an Assessment Roll**

Mr. Adams presented Resolution 2016-5 for the Board’s consideration. The assessment levying resolution takes into consideration the adopted budget, appropriations and the assessment levels contained within the budget and directs Staff to finalize the lien roll and transmit the resolution, with the budget, as Exhibit A and the lien roll, as Exhibit B, to the Tax Collector for placement of the District’s assessments on the November property tax bills. It further directs Staff to post the adopted budget on the CDD website.

On MOTION by Mr. Russell and seconded by Mr. Nelson, with all in favor, Resolution 2016-5, Imposing Special Assessments and Certifying an Assessment Roll, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2016-6, Adopting the Annual Meeting Schedule for Fiscal Year 2016/2017

Mr. Adams presented Resolution 2016-6 for the Board’s consideration. The proposed meeting schedule was the same as in prior years, with the meetings on the second Tuesday of October, December, February, April, June, July and September, at 2:00 p.m. The exception was December 13.

On MOTION by Mr. Herr and seconded by Mr. Russell, with all in favor, Resolution 2016-6, Adopting the Annual Meeting Schedule for Fiscal Year 2016/2017, was adopted.

SIXTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of July 31, 2016

Mr. Adams presented the Unaudited Financial Statements as of July 31, 2016. Revenue collections were at 100%, with two months remaining, which was slightly above budget. “Total revenues” were \$432,889, versus a budget amount of \$431,595. “Total expenditures” were 34% of budget. Year-to-date reflected \$242,203 against the budgeted \$711,208. The reason for the fluctuation was that the District had not received or paid the \$316,000 bill to Pasco County, for the effluent project. Mr. Russell asked if Mr. Heath heard from the County about the bill. Mr. Heath responded no. Mr. Adams stated that, in future financials, this would be an assigned part of the fund balance, to track the funds. The remainder would be unassigned.

SEVENTH ORDER OF BUSINESS

Approval of July 12, 2016 Regular Meeting Minutes

Mr. Adams presented the July 12, 2016 Regular Meeting Minutes and asked for any additions, deletions or corrections.

Line 112: Replace “January, 2017” with “December, 2016”

Mr. Adams stated that, per the adopted schedule, the December meeting would be held on December 13, at 3:00 p.m., at this location. New Board Members would be sworn in, at this meeting, which is at least two weeks following the General Election. The slate of officers would then be considered.

Mr. Herr expressed his appreciation to Mr. Nelson for compiling and providing the information regarding the utilization of the property for the dog walking area. Mr. Herr’s intent was to have a dog walk, not a dog park. Currently, dogs relieve themselves along Grand Club Drive, near the entrance, which does not leave a very good impression on visitors. His idea was to identify an area at the front of the community to install a dog walk, where dogs would be leashed and could be walked. An approval process would be unnecessary because it would not be a dog park, which is a completely different utilization. By keeping the dogs off of Grand Club Drive, residents would no longer complain about the odor from the refuse. He wanted this information clarified for the new Board, who would be overseeing this issue.

Mr. Zimmerman believed a dog walk, on the front property, was a bad idea. If dogs were off leash, they would be defecating all around the lakeshore. Mr. Herr stated that dogs would not be off leash; they would be walked in a different location. The idea was to keep dogs off the roadway and in an area not visible to visitors.

Mr. Zimmerman understood Mr. Herr’s intent; however, the Board was talking about the frontal property. It was not a bad idea but it might be temporary because, when the property is paid for, it might be turned over to someone else; the Board did not know what the long-term use of the property might be. The decision should be deferred until the property is paid for and a determination is made about who would have access, for future development. It was a good suggestion but the idea should be deferred until next year and the new owner could make the decision.

Mr. Nelson stated that a survey was conducted, several years ago, and, out of 380 responses from Heritage Pines residents, only 44 wanted a dog park, not a dog walk. 44 people out of 1,600 homes was not a high demand. Estimates were not obtained for a dog walk, only a

dog park, and the cost was exorbitant. Mr. Herr stated that the dog park was voted down, several times, which was why he suggested a dog walk. The only cost would be for mowing. Mr. Zimmerman stated that an area was approved by the General Manager, near Tee #18. It was stripped of grass and people parked their carts and walked their dogs. Mr. Nelson believed that is a good location for a dog walk, as there were tall trees and shade and benches for resting and conversation; people love it. He did not know how residents would feel about people walking dogs behind their houses, even though there are trees. It is an ideal location for a dog walk. Mr. Herr suggested a survey of dog walkers who walk their dogs on Grand Club Drive, from the gatehouse to Scenic Hills. If they would be willing to move to the area around the 18th tee, it would be closer than driving somewhere else, although those residents do not drive anywhere; they come out of the side streets and that was where they walk their dogs.

On MOTION by Mr. Nelson and seconded by Mr. Elliot, with all in favor, the July 12, 2016 Regular Meeting Minutes, as amended, were approved.

EIGHTH ORDER OF BUSINESS

Other Business

There being no other business, the next item followed.

NINTH ORDER OF BUSINESS

Board Member Reports

A. Ponds and Lakes: *Supervisor Robert Zimmerman*

Mr. Zimmerman wanted to discuss Mr. Elliot’s work last week to identify the ponds that had standing water; there were ten EDRAs. A list was provided to Mr. Crusselle, who provided it to his staff, at yesterday’s Board meeting. John and Gary were involved in some of the work performed by LakeMasters, such as Paleo Park, the lake and other areas. There were several areas where an inlet filled up, with a pond in it. He did not know whether they were sprayed but there were many with water in them and they probably should be sprayed. Mr. Zimmerman did not feel that LakeMasters had the capability to spray the bigger areas unless the job was contracted out. The County has traps set and Districts were being watched, although the County did not indicate that helicopters would spray District ponds.

Mr. Russell asked Mr. Adams to report on LakeMasters’ work on the natural area. Mr. Adams stated that LakeMasters sprayed for a reduction of lilies on the pond, across the street,

two to three weeks ago. The chemical had begun to take effect; the pond's condition would be monitored, next week, to evaluate if another treatment was necessary. Lilies had begun to curl and discolor but it would take several weeks for the treatment to take full effect. Mr. Russell asked if lily growth was noticed up and down the coast. Mr. Adams stated no. In Southwest Florida, lilies were not allowed within the system because it is designed for flow and conveyance of high volumes. This District has a closed system, a filtering pond; therefore, vegetation must remain to uptake chemicals and other impurities that enter the system from roadways and lawns after rain events.

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

There being no report, the next item followed.

C. Reclaimed Water Project: *Supervisor Raymond Russell*

Mr. Zimmerman asked the status of the billing period and whether the District was being billed. Mr. Heath responded affirmatively. Per a meeting with the County, this morning, he would provide the County with the new meter information for all of the homes and villages. The latest information was that the County would probably implement billing in November. The rate was located on the County's website; for bulk water, for the maintained villages, the County would bill \$0.50 per 1,000 gallons. On residential meters, there would be a flat rate of \$6 or \$8 per month.

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

Mr. Nelson stated that all areas that could be mowed were being mowed. There were some wet areas, which John and Chris were aware of. Everything else seemed to be completed.

Mr. Herr asked if there was a schedule for repairing Areas 25 and 28, now that there was a new budget. Mr. Russell planned to discuss this under Supervisors' Requests.

Mr. Zimmerman stated that, at EDRA #39, near Grand Club and the sinkhole and Fairway Green, the sprinklers were running all day yesterday; he did not know why. Mr. Burns stated that they were not given the correct location until today and the sprinklers were not running today.

Mr. Russell asked that the golf course staff advise if there were further comments to add or actions to coordinate. Mr. Burns stated that one of the issues with reclaimed water in the village off of Bellevista Court, was that there was a leak off of EDRA #38 or #36. The irrigation contractor was contacted but no repairs were made. On a Friday or Saturday night, a golf course staff member shut off a valve on Grand Club because he was not sure where to shut off the

village. The following Monday, Nathan was repairing a leak on Fairway Green and told Mr. Burns where to shut off the village. Everyone else was turned back on. From Eagle Bend to the north was shut off for three or four days. The irrigation contractor fixed the leak but did not turn the water back on, so that village went another week without water. Once it was discovered, Mr. Burns turned the water back on. Mr. Crusselle stated that it began the prior Thursday through Monday. He made five calls and Kim made several, as well. Mr. Burns stated that they were in the process of obtaining the master list of where the village meters are located. Mr. Crusselle noted that the staff was working with Mr. Heath on the list to remedy some of the issues and prevent a future occurrence.

Mr. Russell felt that better communication was necessary between the HOA office and field staff. Staff members on duty, on the weekends, should know how to shut down the correct valves because problems would occur. Mr. Russell would meet with Mr. Crusselle to discuss the issue.

Mr. Russell stated that the Brooklawn area, which is EDRA 2, was sodded and the sidewalk was replaced. A survey was commissioned by Mr. Heath; elevations for a bench box were installed, to seek out ground movement, which he felt was the correct approach.

Mr. Russell stated that, with regard to EDRA #25, he was in contact with Mr. Tom Pifer, President of Country Green Village, several times. Prior to the survey, they both agreed to have a survey conducted to determine if land was receding so that, if any other problems occurred, they could be repaired; however, on #25, a house had a sinkhole, which was filled with slurry. Prints were being obtained to proceed with the repairs.

Regarding whether the filled cracks, on the side of a home, were a result of the original sinkhole, Mr. Russell did not know. Documents from the contractors were not yet available but were on the way.

Mr. Russell stated that there is an Environmental Water Retention Area (EWRA) at 1013 Eagle Bend, where the resident claimed that the bank receded. The area is diagonally across from the pumping station, near #5. He asked Mr. Heath if the area could be surveyed, to satisfy the resident and the Board that land was not shrinking. Elevations were entered after a swimming pool was installed. Mr. Russell asked if Mr. Heath received the elevations from the survey crew. Mr. Heath stated that, last week, a surveyor surveyed the three locations to establish baseline elevations, from the structure to the bottom of the slope or pond elevation. Iron rods were set in certain locations, at each structure, for the purpose of establishing a

benchmark for future monitoring. There was discussion over slopes encroaching toward the house or subsiding. Without monitoring, no one could know; a baseline could be followed, over time, to determine whether changes occurred.

TENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

There being no report, the next item followed.

B. District Engineer

There being no report, the next item followed.

C. District Manager

The next meeting will be held on September 13, 2016 at 2:00 p.m., at this location.

ELEVENTH ORDER OF BUSINESS

Supervisors' Requests

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

TWELFTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Nelson and seconded by Mr. Elliot, with all in favor, the meeting adjourned at 2:59 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair