

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

The Board of Supervisors of the Heritage Pines Community Development District held a Public Hearing and Regular Meeting on July 19, 2022 at 2:00 p.m., in the Heritage Pines Country Club Meeting Room, 11524 Scenic Hills Boulevard, Hudson, Florida 34667.

Present were:

Kathleen Lonergan	Chair
Arthur Rhodes	Vice Chair
Carol Vaughan	Assistant Secretary
Janice Benedetti	Assistant Secretary
Michael Walsh	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Dana Crosby-Collier	District Counsel
Kurt Heath	District Engineer
Michelle Reiss	HPCA Counsel
Gary Farley	HPCA President
Herb Hurley	HPCA General Manager
Tim Gatz	Down to Earth Landscaping (DTE)

Residents present, were:

Virginia Granpre	Bob Bonitano	Larry Elvis	Herb Matheson
Gene Andre	Nat Dribble	Pam Dugle	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 2:00 p.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

Public Comments: Agenda Items [3 minutes per person]

Resident Virginia Granpre stated she objected to the agenda, to special assessments and to the money spent for activities and projects. She stated she was told that the CDD would expire in 2020. She questioned the CDD’s private contract with Down to Earth Landscaping (DTE) and stated her belief that DTE reports to the HPCA.

Ms. Lonergan stated the CDD did not expire, as it is responsible for stormwater management, which includes all drains and ponds.

Mr. Adams stated all CDD assessments are considered “special” assessments because they apply to the “special” and peculiar benefits that the properties receive. The assessment in the Fifth Order of Business is the annual assessment included on the property tax bill to fund the Operation & Maintenance (O&M) of the CDD. Overall, assessments went down slightly. Assessments are subject to a rigid notification process, including public hearings. Regarding the Seventh Order of Business, the CDD contract with DTE for mowing and maintenance and upkeep of the dry retention areas is tied into the master contract with the HPCA so the CDD has concerns about those negotiations and whether DTE will continue to partner with the CDD.

Ms. Granpre questioned the concerns about slope issues in areas to be mowed. Mr. Adams stated there are some concerns about safe mowing of slopes for the CDD to consider, as deterioration can lead to unsafe slopes; the slopes will be monitored closely.

Resident Bob Bonitano asked if a subcontractor, other than DTE, works in the retention pond adjacent to the maintenance area. A Board Member stated the CDD contracts with SOLitude to maintain the ponds.

FOURTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2022/2023 Budget

A. Affidavit/Proof of Publication

The proof of publication was included for informational purposes.

B. Consideration of Resolution 2022-05, Relating to the Annual Appropriations of the District and Adopting the Budget for the Fiscal Year Beginning October 1, 2022, and Ending September 30, 2023; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Adams presented the proposed Fiscal Year 2023 budget, noting that it was unchanged since the last version presented; it is a status quo budget compared to the Fiscal

Year 2022 budget. Although minor increases are anticipated in some operational costs and services, it is anticipated that those costs will be absorbed within the budget. Disaster recovery funds totaling \$125,000 have accrued and \$70,000 is set aside for future mower replacement. \$150,000 was reserved in “Working capital” for the first three months of the operating year to cover expenses until revenues are received. As proposed, the Fiscal Year 2023 assessments are projected to be slightly less than Fiscal Year 2022.

Mr. Rhodes recalled a mid-year increase by DTE and asked Mr. Adams if he anticipates any other increases, based on other CDDs. Mr. Adams stated he does not; while labor costs remain high, he hoped fuel and other associated costs continue to trend downward.

On MOTION by Mr. Rhodes and seconded by Ms. Vaughan, with all in favor, the Public Hearing was opened.

A resident noted the mowing cost increase compared to Fiscal Year 2022 and asked for the outlook for 2023 and 2024. Mr. Adams stated the contract is based on actual hours for services provided; it is anticipated that, even with increased hourly rates, the CDD can stay within budget. To the extent that is not possible, Unassigned Funds can be used on the expense. He hoped for a more stable environment in 2024 but, given the current economic climate, the DTE increase is justifiable.

Mr. Hurley stated the previous General Manager signed a five-year contract with DTE that expires on April 30, 2023, which will be discussed further.

A resident asked about the budget approval and assessment processes. Mr. Adams stated supporting documentation for the proposed Fiscal Year 2023 budget is included in the agenda, which was also posted online. Special assessments are levied on all property owners who receive a special and peculiar benefit. The lien roll provides information to the Property Tax Collector for placement of the assessments on the property tax bill. Chapter 190 of the Florida Statutes provides information about CDDs being independent special taxing districts.

Mr. Napolitano asked why the CDD owns a mower if DTE performs the mowing. Mr. Adams stated the CDD has always provided the mowers. The CDD purchased mowers when the HPCA had an in-house operation because the CDD mowing was causing wear and tear on the HPCA’s mowers and because different mowers are needed for different mowing requirements.

Costs are reduced because the CDD realizes a savings because, as a tax-exempt governmental entity, the CDD can acquire the equipment tax-free.

On MOTION by Mr. Walsh and seconded by Mr. Rhodes, with all in favor, the Public Hearing was closed.

Mr. Adams presented Resolution 2022-05.

On MOTION by Mr. Rhodes and seconded by Ms. Vaughan, with all in favor, Resolution 2022-05, Relating to the Annual Appropriations of the District and Adopting the Budget for the Fiscal Year Beginning October 1, 2022, and Ending September 30, 2023; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2022-06, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2022/2023; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mr. Adams presented Resolution 2022-06. Ms. Lonergan noted that, in her four years on the Board, assessments have decreased. The Fiscal Year 2023 assessment will be \$209.46.

On MOTION by Mr. Walsh and seconded by Ms. Benedetti, with all in favor, Resolution 2022-06, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2022/2023; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Continued Discussion: HPCA’s Interest in CDD’s County Line Road Property, as well as Potential Acquisition of Additional Property

Ms. Reiss discussed the HPCA's interest in the empty CDD parcel on County Line Road. As Counsel for the HPCA, she wants to discuss the respective interests of the CDD and the HPCA with District Counsel about the HPCA acquiring the property and using its funds to turn it into something that benefits the community. If the CDD transfers ownership to the HPCA, the CDD will be relieved of maintenance and insurance responsibilities for the property. She discussed the HPCA's interest in another vacant parcel on County Line Road owned by a private owner.

Discussion ensued about the location and possible cost and future uses for the property.

Mr. Farley wanted to open a sincere line of discussion to allow the HPCA Board to acquire the CDD-owned property by the front gate, bordered by Heritage Point Drive and County Line Road. He asked the CDD to investigate the possibility of purchasing the property to the west of the CDD, bordered by Parade Road and County Line Road. He stated, after traveling to nearby 55 and over communities, the common thread the HPCA Board noticed is that Heritage Pines is land poor. He stated the July 2012 Heritage Pines CDD Meeting Minutes indicated that the CDD Board, at that time, suggested the CDD purchase the property bordered by Heritage Point Drive and County Line Road to allow the HOA to develop the property. The minutes further stated that, if the property was acquired by the HOA, it would be for the benefit of the residents. He stated the members of the HPCA paid off the loan for the property and, since 2012, this land has remained vacant and has not benefitted the residents.

Mr. Farley stated the HOA held numerous town hall meetings over the past three years to obtain resident input for the five-year Capital Plan. As the community has seen resident turnover, there has been a change in the ideas and requests for improvements, many of which require the availability of additional land. He felt that, without land, any HPCA Board discussions are useless. He stated the HPCA Board of Directors is prepared to enter into legal discussions for the "Transfer of Ownership of Title to the Property" and is requesting the same from the CDD Board, in the hopes that the CDD board will vote to authorize the acquisition process to commence today. He asked the CDD Board to investigate the possibility of purchasing the previously mentioned private property in the area of County Line Road and Parade Road, for the same reasons that the 2012 CDD Board had the vision to protect the community from undesired development and for the enjoyment of residents.

Ms. Benedetti voiced her opinion that there are two issues; the matter of the property the CDD owns and the second property that HPCA wants the CDD to purchase.

Mr. Farley hoped this CDD Board would have a vision similar to the previous CDD Board and act in what he thinks would protect the interests of Heritage Pines.

Ms. Reiss stated, for today's purposes, the HPCA is seeking permission to speak with District Counsel to explore what is necessary for such a process, in terms of the CDD Statutes and the CDD's Rules and Regulations and the HPCA's Covenants.

Mr. Rhodes wanted to know the proposed use of the property. Mr. Farley stated, at town hall meetings, residents expressed a desire for a physical fitness walking trail, a dog park and a new physical fitness building; however, the HPCA has storage issues and, without having more property, the discussions are, in his opinion, a waste of time.

Potential uses of the properties, the locations, resident concerns, town hall meetings and how to justify the purchase of property without a definite plan for it, were discussed.

Ms. Reiss suggested beginning with the property the CDD already owns. She noted that HPCA member input will be required before decisions are made.

Mr. Rhodes expressed concern that the HPCA might act without resident input.

Discussion ensued regarding the benefit of the property purchases to the community.

Mr. Adams stated, while the primary purpose of a purchase is that it must be a benefit to residents, secondary benefits can include blocking potential future undesired development.

A resident voiced their opinion that it seems the CDD does not want to purchase the property without knowing the intention for the land and asked if the CDD would accept it, if a project is approved by residents at a town hall meeting. Mr. Walsh noted attendance at a town hall meeting might not be a sufficient representation of all 1,400 homes.

Resident Gene Andre stated he attended past town hall meetings and felt that some residents were not polite. He discussed previous ideas for the property and pine trees and water retention and noted that, if the CDD owns the property, it will be open to the public.

Ms. Reiss stated transferring the property to the HPCA would allow the HPCA to restrict access.

Resident Pam Dugle wanted the CDD to purchase the property and construct an assisted living facility.

A resident stated the HPCA would like Ms. Reiss to speak with District Counsel.

Ms. Granpre stated she did not hear an opportunity for the residents to vote on new expenses. She thought an assisted living facility was in the original plans. She expressed support for keeping costs low rather than spending on unneeded expenses or legal fees.

A resident noted the proximity of homes on County Line and Heritage Pines Roads to the property in question. He stated the property is narrow and suggested rezoning it and changing the documents to prevent buildings that would require bypass roads that could increase HOA costs for paving.

Ms. Reiss stated the considerations and concerns raised will be taken into account during discussions. Mr. Rhodes asked about the desired outcome from a joint discussion. Ms. Reiss stated things that need to be accomplished in order to transfer ownership to the HPCA would be presented. She noted that limitations can be inserted, if necessary. Zoning questions can be addressed but, now, the HPCA needs to know if the CDD will entertain the discussion.

Mr. Adams believed a Letter of Intent might be a good first step, given that the CDD wants to know what the HPCA intends to do with the property and the HPCA does not want to go through the exercise of determining what to do with the property without the assurance that the CDD is willing to transfer the property. Ms. Reiss stated possible uses for the property will depend on many factors, including the size and zoning of the property, whether drainage is present, the amount of usable space, what percentage of the trees the community wants to preserve and what combination of options might be viable.

Mr. Adams recommended Ms. Lonergan and Mr. Farley work with the attorneys to develop a package for presentation to the Board.

On MOTION by Ms. Benedetti and seconded by Ms. Vaughan, with all in favor, authorizing District Counsel to work with Ms. Reiss, Ms. Lonergan and Mr. Farley to develop a package for presentation to the CDD Board and the HPCA Board, was approved.

Mr. Andre asked how binding a Letter of Intent will be and what action was decided. Ms. Crosby-Collier stated the attorneys will meet to develop parameters for the Board to consider and action would only be taken after a vote. She described the steps the CDD would need to complete, should the CDD Board agree to convey the property.

SEVENTH ORDER OF BUSINESS

Down to Earth Landscaping Discussion Items

A. Update: Status of HPCA Contract with Down to Earth Landscaping

Mr. Hurley stated the CDD’s five-year contract with DTE expires at the end of April and he suggested several revisions to the contract, which had substantial increases, such as for fuel charges; some were accepted and some were not. The HPCA’s attorney is reviewing the proposed revisions, including notice increases, staffing level guarantees and the request to change the contract term from five years to three years.

B. Update: Status of Slope Hazards at the Two Islands

Mr. Walsh stated two issues exist at Hole #2. Mr. Gatz felt that physical inspection of these areas and any others needing attention is needed before remedies, such as sod or irrigation, can be discussed for Items 7B and 7C. Ms. Lonergan stated the two ponds in question are between Holes #2 and #3, EWRA #24b and #20b. Mr. Walsh stated the islands are related to EWRA #40; there was some confusion with those areas in the minutes. Ms. Lonergan stated these will be addressed as separate issues in the To Do List.

C. Consideration of DTE Landscaping Proposal for EDRA #28 to Cover Slope with Irrigation and Sod (to be provided under separate cover)

This item was discussed in conjunction with Item 7B.

EIGHTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of May 31, 2022

Mr. Adams presented the Unaudited Financial Statements as of May 31, 2022. The Bank Statement Reconciliations were emailed to the Board, as they were not included in the agenda.

On MOTION by Mr. Rhodes and seconded by Mr. Walsh, with all in favor, the Unaudited Financial Statements as of May 31, 2022, were accepted.

NINTH ORDER OF BUSINESS

Approval of June 21, 2022 Regular Meeting Minutes

Ms. Lonergan presented the June 21, 2022 Regular Meeting Minutes. The following changes were made:

Line 100: Insert “addendum” after “contract”

Line 101: Delete “March 1, 2022 or”

Ms. Vaughan stated that, at the last meeting, she listed all the responsibilities of the CDD at Paleo Park but they were not itemized in the minutes. At Ms. Vaughan’s request, the following change was made to the minutes:

Lines 112 through 113: Change “Mr. Gatz gave an overview of DTE’s maintenance responsibilities at Paleo Park” to “Ms. Vaughan gave an overview of the CDD’s maintenance responsibilities at Paleo Park, which include the following:

- Mulch installation.
- Raking leaves.
- Taking care of the water and the sinkhole. (Per Mr. Gatz: SOLitude does this.)
- Removal of dead branches and debris.
- Mowing of certain small areas.
- Spraying weeds.”

General changes to the minutes resumed as follows:

Line 113: Change “He” to “Mr. Gatz”

Line 165: Change “EDRA #18” to “Hole #18, which is EDRA #47,”

Line 210: Change “Ann Bugle” to “Pam Dugle”

Line 210 Change “Sweet Hill Blue” to “Wheatfield Loop”

Lines 213 and 217: Change “Olski” to “Dolski”

On MOTION by Ms. Vaughan and seconded by Ms. Benedetti, with all in favor, the June 21, 2022 Regular Meeting Minutes, as amended, were approved.

Mr. Rhodes requested that updated Meeting Minutes be posted to the CDD website.

• **To Do Action Items List**

Item 5: Ms. Lonergan stated “EDRA #36” should be changed to “EDRA #47”. This was included in the meeting minutes and also in the To Do List. She stated, from now on, those should be kept on the To-Do List so they can be moved out of the List until proposals can be obtained and motions made to take action. From now on, items that arise should be added to the To Do List as separate issues, rather than bringing up discussion in the minutes.

Item 6: This will be an ongoing item. Ms. Vaughan’s edit request to add an itemized list of all the responsibilities of the CDD at Paleo Park to the June 21, 2022 minutes, was addressed during discussion of the minutes.

Item 13: Ms. Lonergan stated those items identified will be compiled on a monthly list. Asked if plants in the area will be removed or sod installed, Mr. Walsh stated that will be determined when the area is inspected. Ms. Vaughan noted that complaints were received from residents who felt that the grass should be cut.

Item 16: Per Ms. Lonergan, change “EDRA #33 at the same time as EDRA #38” to “EWRA #33 at the same time as NWRA #38”

Item 17: Ms. Lonergan stated the Arborist surveyed the area. Mr. Adams stated he will email the report to the Board. Ms. Lonergan stated action will be taken at the next meeting.

The following new, ongoing item was added: “Mr. Gatz to meet with Mr. Hurley, Mr. Walsh and Ms. Lonergan regarding inspecting areas to be refurbished.”

TENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Straley Robin Vericker, P.A.*

There was no report.

B. District Engineer: *Stroud Engineering Consultants*

- **Consideration of Proposal to Repair Damaged Storm Elements (*to be provided under separate cover*)**

Mr. Heath discussed five Wheatfield Loop storm inlets in need of repairs due to spalling concrete edges, which resulted in exposed rebar puncturing tires. He presented a \$41,303.73 proposal for replacement of the inlets and a \$5,023.70 proposal for repair of the inlets .

The proposals, previous storm inlet repairs, tire damage, obtaining multiple competitive bids and addressing the issue expeditiously, were discussed.

On MOTION by Mr. Rhodes and seconded by Mr. Walsh, with all in favor, the Lupton’s Construction Services, LLC, proposal for Heritage Pines Curb Inlet Top Repairs Only, in the amount of \$5,023.70, was approved.

C. District Manager: *Wrathell, Hunt and Associates, LLC*

- **NEXT MEETING DATE: September 20, 2022 at 2:00 P.M.**
 - **QUORUM CHECK**

The next meeting would be held on September 20, 2022.

ELEVENTH ORDER OF BUSINESS

Audience Comments: Non-Agenda Items [3 minutes per person]

A resident provided photographs of a pond that was recently sprayed for an algae bloom. He suggested installation of a second fountain, as the algae blooms at the end without a fountain. The consensus was that SOLitude treats the reclaimed water pond as aggressively as allowed but algae treatment is a challenge. Mr. Adams stated the CDD will not install a water feature to treat the pond. Ms. Lonergan stated the fountain was installed by HPCA.

Discussion ensued about Pond 12. A resident expressed concern about snakes in thick matting grass. Mr. Adams stated SOLitude treats the pond; multiple treatments will be needed. Regarding the rapid development of algae, it was noted that the pond is treated regularly.

A resident noted that \$22,000 is budgeted for lighting and asked why there are no LED lights on the main street. Mr. Adams stated those lights are maintained by the HPCA. The CDD filled in dark spots working in conjunction with Withlacoochee.

TWELFTH ORDER OF BUSINESS

Supervisors' Requests

Ms. Vaughan stated nothing was done in Paleo Park since the last meeting. She asked for the tree in the middle of the path to be cut down and noted that mulch is needed. Mr. Gatz stated he will have the tree removed. Mulch was recently received and it would be installed soon; additional manpower will be requested. Mr. Rhodes stated the hours submitted have been satisfactory. Ms. Vaughan asked that Mr. Gatz to text her when work is done in Paleo Park so she can follow up. Mr. Walsh suggested Mr. Gatz schedule the meetings with himself and Ms. Lonergan when the golf course is closed. Mrs. Lonergan concurred with the suggestion.

THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Benedetti and seconded by Mr. Rhodes, with all in favor, the meeting adjourned at 3:55 p.m.


Secretary/Assistant Secretary


Chair/Vice Chair