

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

The Board of Supervisors of the Heritage Pines Community Development District held a Regular Meeting on October 18, 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
Herb Hurley	HPCA General Manager
Tim Gatz	Down to Earth Landscaping (DTE)

Residents present:

Neil Goulette	Doris Goulette	Cherie Burch	Charlie Funda
Bill Johnson	Cliff Freund	Virginia Freund	Dorothy Richie
Paula Routan	Chuck Black	Bob McGough	Virginia Granpre
Christine Parker	Marcia Andre	Barry Musick	V. Daviero
Patty Wallaro	Nat Riddle	John Dolan	
Gary Farley	Mike Dillard	Bruce Basavega	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 2:09 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 Cherie Burch read the following into the record, which differed slightly from her typed statement:

“I have a few questions that relate to the agenda items and I hope you are going to answer them when you talk about the agenda items. It’s about the front property.

Given the CDD issued the bonds for the front property and they were paid for strictly by the residents of Heritage Pines (HP), the CDD holds the deed for that property. During and shortly after the bond payoff, many ideas were thrown out as to what we should do with that property. A survey was sent out, a list was compiled of possible uses and structures. All discussions shortly died out as CDD personnel instructed us, the property and improvements would be open to the public.

Starting with my questions:

1. Since the CDD holds title to this property, cannot the CDD merely quit claim the land to HP, giving HP title to the property?
2. If the land cannot be quit claimed, whatever lease agreement, is it going to be a long term (90 years) and implicitly give HP rights to the property?
3. Under each scenario, quit claim or lease, will non-HP persons be excluded from using the property or what is put on it?
4. In addition, under either scenario will HP be free to develop the property as they see fit within the zoning laws of Pasco County?

If outside people are not excluded and/or HP does not have authority to develop the property, then why are these discussions about leasing even happening, in effect there would be no change to the use or ownership; the CDD would remain with the ownership and HP would not be able to use it.”

Resident Charlie Funda stated he read both proposals and he believes the CDD’s proposal to be logical but expressed his opinion that, while the current Board might make changes, the previous Board intended for the property to stay in its natural state to protect the

residents. He felt that, if sold, the property could be used for building and that there are enough buildings in Heritage Pines.

Resident Bill Johnson stated some trees behind his home were marked and asked about the intention for those trees. Ms. Lonergan stated an arborist is addressing the issues; the topic is not on this agenda but it will be addressed in the future.

Resident Leslie Funda asked what will happen to the rest of the community if the HPCA takes over the property, by lease or by ownership, given the need to provide public access. She expressed concern about traffic, permitting and building costs and the amounts and number of potential assessments to fund such projects.

Mr. Funda recalled that the HPCA proposal listed a walking trail, a fitness center and a question mark. He asked what the question mark refers to and if there is any chance of a cellular tower being installed there. He asked if his fence will be restored if the HPCA invites outsiders into the community.

Resident Virginia Freund stated that she and others in her community are trying to understand why residents are still paying a CDD fee, as, when she bought in 2006, her realtor told her that the fee would be paid off in 12 to 15 years because the fee was to pay off that property. Ms. Lonergan stated the CDD assessment is part of the tax bill.

Resident Virginia Granpre expressed concern that some items on the agenda will create financial hardship for some residents.

Resident Dorothy Richie wanted clarification about how frequently the CDD will treat lily pads and weeds on the lake between Holes 16 and 17. She believed that lily pads cover more than 35% of the lake surface and that the treatment is only done once per year. She hoped the CDD maintains it to a higher standard like other lakes in the CDD. Ms. Lonergan stated that area is a natural wetland retention area, not a natural lake.

FOURTH ORDER OF BUSINESS

Update: Discussions with HPCA Regarding Potential Lease of Front Property

A. Non- Binding Letter of Intent to Discuss Lease Terms for Real Property

- **CDD Letter**
- **HPCA Counter Letter**

Ms. Lonergan stated this item returned to the agenda after she met with District Counsel and a letter was submitted to the HPCA. She wanted to give an update after receiving a letter from the HPCA and have an open discussion during the meeting since Supervisors cannot have private conversations regarding CDD matters.

Ms. Lonergan read the following statement she prepared to address residents' issues and concerns:

Verbatim transcription commenced.

"At our Board Meeting in July, Item #6 on our CDD Agenda was 'Continued Discussion: HPCA's Interest in CDD's County Line Road Property, as well as Potential Acquisition of Additional Property'. I have to say it was our most attended Board Meeting since I have been a Supervisor, until today, which is now going to be the most attended Board Meeting. I would like to think it is because people have interest in the CDD but I know it is because of HPCA's request for use of that property.

There are still many people living in Heritage Pines that do not know what the CDD is or does. In February 2021, the CDD did a workshop that was conducted by the District Manager and included PowerPoints giving an educational presentation regarding the HPCDD and information on the Sunshine Law. That information is still available on the website at www.heritagepinescdd.net.

The HPCDD currently provides administrative and stormwater system operating services. The stormwater operating services include the management and maintenance of the primary drainage system, which consists of a series of wet and dry retention areas, as well as preserve areas and interconnecting pipes. The CDD currently has a separate contract with Down to Earth Landscaping (DTE) to maintain the retention areas. The CDD owns equipment for that purpose and pays HP for use of other equipment owned by them and needed by DTE for the CDD contract. The CDD also owns, operates and maintains a vacant wooded parcel located on the east side of the main entry, commonly referred to as "the front property". At the July meeting, there was much confusion and discussion from the residents present with regard to what properties were being discussed. The issue of acquisition of additional property was not heavily discussed at the CDD meeting; however, with regard to the possible HPCA acquisition of the CDD's "front property" the HPCA and CDD attorneys, together with District Manager Chuck

Adams, Board President Gary Farley and myself, Kathleen Lonergan, were directed to compose a non-binding letter of intent for HPCA to consider. The CDD's consideration at that time is specifically limited to the front property. The CDD's attorney, Dana Crosby-Collier, submitted a document titled "Non-Binding Letter of Intent to Discuss Lease Terms for Real Property", summarized the CDD's conditions to further discussion of HPCA's acquisition or use of the front property. The CDD proposed that the use of the property be restricted to passive use, such as a nature trail, i.e., an unpaved trail to ensure protection of the natural habitat, plants, trees, aesthetics, with any development resulting in minimal loss of trees on the property. The reply, counteroffer, from HPCA's attorney Michelle Reiss, who is here with us today, expanded the use of the property to include passive use such as a nature trail, a fitness center and a question mark, which I imagine was for something still unknown. The HPCA's counteroffer would only protect the natural habitat, plants, trees and aesthetics to the greatest extent possible consistent with the approved use. Additionally, parking access was to be limited to HPCA-owned property, which borders Grand Club by the gatehouse, and also impacts Heritage Point Drive.

As the Supervisor selected to deal with this matter, I have given it much thought and consideration. I have lived in Heritage Pines since 2004 and I intend to remain here. I had asked that the CDD's offer and the HPCA's counteroffer be added to the September agenda for discussion by the Supervisors; unfortunately, our meeting in September was canceled. At September's meeting, I had planned to say that I know many residents in here who have lost their spouses and have been financially impacted by that loss. Today, sadly, I am one of them. I have lost my spouse. We had been living comfortably on our retirement income in HP since 2004. Things have now changed; I want to continue to live in Heritage Pines and that means that I, like many others, will be looking to keep CDD taxes and HPCA assessments to a minimum.

I have heard many residents comment that HP is the most affordable community on the west coast of Florida. I, for one, happen to agree with that observation. Our economic environment at this time is very unstable. Inflation continues to rise, residents are finding increases at gas pumps, at grocery stores, with their insurances and many other items. All these things affect the retirement income of our residents, especially the more seasoned ones, I do

not want to refer to them as the older ones, who have been here since the opening of Heritage Pines in 1998.

Mr. Joe Bratt, who was one of the Supervisors at the CDD meeting held in July 2012, stated that the only plan was for the CDD to purchase the front property for a park. The CDD at that time wanted no building on the front property. After listening to the videos of HPCA's Board Workshops and Budget for 2023, it is apparent that HPCA is not planning to continue their contract with DTE. Since DTE also has a separate contract with the CDD, the CDD will now be faced with the prospect of having to contract with HPCA for maintenance of the retention areas or contracting with another company. Herb has already stated at one of those workshop meetings that the CDD would need three people, rather than the one and a half persons already allocated, in order to properly maintain the retention areas. I believe that Herb and the CDD will be entering discussions with regard to the proposed contract between HPCA and the CDD for maintenance of the CDD retention areas. This is yet another economic uncertainty with regard to the CDD's current budget and will most likely impact our residents' income with regard to our CDD taxes in years to come.

In 2018 when I first submitted my application to the County to become a member of the CDD (Board) it was because I wanted to preserve the natural environment and, more specifically, to save the trees on the front property. At that time there was a lot of talk about HPCA considering plans to build administrative offices on the property. I had just retired from working at the Hernando County Courthouse and at the end of my drive from US41 down County Line Road I always concluded with seeing the trees on the front property. When I saw them, my heart rate went down and I felt serene and peaceful as I entered the gates to HP. I have often referred to HP as paradise in Pasco. I feel the same today. I was strongly opposed at that time to any building being placed on the front property.

In 2022, when I resubmitted my application to the County to retain my Seat on the CDD Board, it was for the very same reason, as well as to keep CDD tax bills down for all HP residents. I love those trees. As one of our residents has stated, he supports Heritage Pines as being a peaceful and serene setting filled with nature's bounty. Keeping those trees would be consistent with Heritage Pines being named "A Neighborhood for Nature" by Audubon International.

Our General Manager included an item in one of his weekly updates that cited a survey that had been done on residents of HOAs. The survey indicated approximately 85% of residents in HOA communities are very happy with their HOA. In light of all of the above and after much consideration, I consider HPCA's counteroffer to be a rejection of the CDD's offer for a passive nature trail. We are under no obligation to continue discussions and my recommendation to my fellow Supervisors is that we have no further discussion at this time. Time might change things, as it often does, and the CDD will continue to own the front property for the District. People have choices when they move into communities. We chose Heritage Pines and I wanted to remain here because living here is beautiful and affordable. People who want bigger and better amenities are free to choose a different community for themselves. I am very happy with all we have at Heritage Pines and want to see it stay that way.

Now I would like to have my fellow Supervisors share their thoughts on this matter, as all of our discussions must happen in public, pursuant to the Sunshine Law. With that I would like to hand my microphone to Mr. Rhodes."

Summary transcription resumed.

Mr. Rhodes acknowledged the CDD's land restrictions and limits on economical options, such as the response to pickleball courts. He opined that, within the limits, Mr. Hurley and the HPCA Board have done a great job enhancing and maintaining the facility in a great operating situation. He discussed his issues with the proposal, including low property owner representation and no project definitions or cost projections provided. He did not believe another fitness center is needed and noted other considerations would include water management, parking and community access. He thanked the Board for working diligently to make the community better and stated his belief that more information is needed before a decision is made.

Ms. Vaughan stated she agreed with Ms. Lonergan and Mr. Rhodes and expressed concern about the economy, inflation and taxes. She expressed support for maintaining the community as it is and for the representation from the Audubon Society.

Mr. Walsh expressed his agreement with his fellow Board Members and stated that he is against leasing or selling the property.

Ms. Benedetti expressed support for a walking nature trail and stated she does not support an additional building or an unknown project. She felt that the HPCA needs to address its financial commitment to the process and that more work is needed on both sides.

On MOTION by Mr. Rhodes and seconded by Ms. Vaughan, with all in favor, tabling the HPCA proposal indefinitely, was approved.

Ms. Reiss asked to address the Board and stated, as Counsel for the HPCA, she worked with District Counsel to prepare the document. She appreciated the Board Members' concerns and stated her understanding is that the document would be developed further. The question mark represented that additional revisions are needed in that section, as the document discussed was not a final document. The property is valuable and the CDD is spending money on maintenance and insurance. She believes the questions are whether there is any amount of money the Board is willing to spend to turn the property into something useful and if there is any use that would be acceptable to the HPCA and the CDD. She felt that there is still an opportunity for a meeting of the minds and noted that the issues appear to be the cost, intended use and proper public access. She stated the cost and the use would still be up for discussion; the Letter of Intent puts restrictions on the potential lease agreement and more work is needed to finalize the details. She noted that, as a private entity, the HPCA can restrict access to the property and, while members of the public typically have the right to access the CDD, it does not often materialize as public access for various reasons. She noted these issues can be discussed further.

Mr. Adams stated the CDD paid for the property. It was bought from the Developer on a five-year note with a private placement loan and, once paid off, it is under complete CDD ownership. The CDD represents all homeowners within the HPCA. The property was not paid for through the HPCA; it was paid for through the CDD via assessments included on the property tax bill each year for those five years.

Ms. Reiss noted the small distinction that renters might be a member of the CDD but are not a member of the HPCA as the HPCA requires property ownership.

Mr. Adams stated, unlike the HPCA, which is a private corporation whose members are stakeholders and partial owners in the HPCA's assets, the CDD is a governmental entity like the County or a City and its assets are paid for by taxpayers but taxpayers are not partial owners of the governmental entity's assets.

Ms. Lonergan voiced her opinion that, since the CDD Board asked for passive use and the HPCA did not accept that, there is no point in having further discussions.

Ms. Reiss was not sure that passive use was not accepted and stated that it is up to the Board and the Association.

Mr. Rhodes noted the approval process was only for the lease and not for the projects and funds to be spent. Per the Declaration, upon approval, the HPCA Board can spend any amounts with no resident input.

Ms. Reiss stated some parameters were taken off the Agreement. Ms. Lonergan noted the need to continue addressing agenda items. Ms. Reiss thanked the Board.

FIFTH ORDER OF BUSINESS

Continued Discussion: Down to Earth Landscaping

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

Mr. Hurley recalled that the proposed renewal contract with DTE and the proposed Fiscal Year 2023 budget were presented at recent Workshops. The proposed Fiscal Year 2023 budget includes in-house golf course and common ground maintenance and will end the DTE Agreement. The contract will be continued through April, as DTE previously agreed.

Mr. Hurley will obtain bids for these services.

Mr. Adams stated the contract value does not require the sealed bid process so the Request for Proposals (RFP) process works best for the CDD.

Discussion ensued regarding the bid process.

Mr. Hurley stated he needs to prepare monthly billing that factors in labor, fertilizer and fuel, as it was done previously. Double-dipping is currently occurring, as he is paying Mr. Gatz's full salary, due to staff shortages.

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

Referencing handouts, Mr. Gatz explained his idea to reduce native grasses in the slope areas and replace it with sod, not 100%. As reflected on the diagram, native grass would be installed in Area 1 (A1) and Area 2 (A2).

Ms. Lonergan stated the bid on #24A is \$39,457.50. Mr. Gatz stated he would rather keep that area as is, as a substantial amount of work was recently completed. All the native grasses were trimmed and replaced with rodeo and the non-selectives were sprayed. There has been much improvement. He stated a few big open patches in A1 look sparse and uneven, with no native grass; therefore, he recommended installing more grass and mulch in that area. He will obtain pricing for mulch but felt that it will only cost about \$200 to fill that gap with native grasses. Staff will trim back vegetation, control the weeds and make these areas more presentable. Once the proposals are obtained, they will be provided to Mr. Adams.

The consensus was to proceed with mulch.

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

It was noted that this item relates to the Sixth Order of Business. Mr. Gatz stated, although it is sparse, there is some vegetation on the slope and irrigation is needed to establish anything permanent.

SIXTH ORDER OF BUSINESS

Consideration of Wayne Vance Sunshine State Sprinkler Company Estimate #1440 to Add Rotor with Pipe and Fittings

Ms. Lonergan presented Wayne Vance Sunshine State Sprinkler Company Estimate #1440 to add a rotor with pipe and fittings.

On MOTION by Mr. Walsh and seconded by Ms. Vaughan, with all in favor, Wayne Vance Sunshine State Sprinkler Company Estimate #1440, in the amount of \$1,455, for Rotor with Pipe and Fittings, was approved.

SEVENTH ORDER OF BUSINESS

Discussion/Update: Spatterdock Treatment Program for NWRAs 38 and 33

Ms. Lonergan voiced her understanding that the Board previously decided to increase the Spatterdock Treatment Program for NWRAs 38 and 33 from two to three times per year; namely in March, July and October.

Mr. Adams stated the treatment is scheduled for October 21, 2022 and the reason for the additional treatment is to diminish the growth of the lily pads during the winter. Each treatment costs approximately \$1,250 for both Natural Wetland Retention Areas (NWRAs), which are existing ponds with a certain amount of vegetative coverage. NWRAs must be treated differently from stormwater ponds and must maintain 30% coverage, which is what the District Engineer and officials from the Southwest Florida Water Management District (SWFWMD) would deem acceptable as a tolerance.

Ms. Lonergan stated the CDD had the ponds staked to separate CDD versus HOA maintenance responsibilities; anything toward the center of the water is the CDD's responsibility and the other side is the responsibility of the HOA.

EIGHTH ORDER OF BUSINESS

Consideration of Lupton's Construction Services, LLC, Proposals

Mr. Heath presented the following proposals from Lupton's Construction Services, LLC and responded to questions regarding the needed repairs:

- A. Proposal #2022-3 for Storm Pipe Repair – Depression Area**
- B. Proposal #2022-4 for Curb Inlet Top Repair**

On MOTION by Mr. Walsh and seconded by Ms. Vaughan, with all in favor, Lupton's Construction Services, LLC, Proposals #2022-3 for Storm Pipe Repair and #2022-4 for Curb Inlet Top Repair, were approved.

NINTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of August 31, 2022

Mr. Adams presented the Unaudited Financial Statements as of August 31, 2022. The September bank statements will be emailed to the Board tomorrow.

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

TENTH ORDER OF BUSINESS

Approval of July 19, 2022 Public Hearing and Regular Meeting Minutes

Ms. Lonergan presented the July 19, 2022 Public Hearing and Regular Meeting Minutes. The following change was made:

Line 28: Change “Bonitano” to “Napolitano” and delete “Larry Elvis”

On MOTION by Ms. Benedetti and seconded by Ms. Vaughan, with all in favor, the July 19, 2022 Public Hearing and Regular Meeting Minutes, as amended, were approved.

- **To Do Action Items List**

This item was addressed following the Thirteenth Order of Business.

ELEVENTH ORDER OF BUSINESS

Staff Reports

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

There was no report.

B. District Engineer: *Stroud Engineering Consultants*

Mr. Heath will coordinate with Charles on the two proposals.

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

- **NEXT MEETING DATE: December 7, 2022 at 2:00 P.M.**

- **QUORUM CHECK**

The next meeting would be held on December 7, 2022.

TWELFTH ORDER OF BUSINESS

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

Resident Paula Routan noted that the storm drains and sewer tops are dirty and asked why they are not power-washed. Mr. Adams stated that it is usually not recommended but the sidewalks are cleaned regularly to prevent slip and fall incidents.

Resident V. Daviero asked how the CDD would have fared if it was directly impacted by Hurricane Ian, given the 7' storm surge predictions. Mr. Heath stated storm surge is associated with coastal areas on elevation; the CDD would not be impacted by a storm surge event. Asked if the CDD has flood map identifications, Mr. Adams stated that information should be on the Pasco County website.

Resident Gary Farley asked if any Pasco County resident can utilize the front land. Mr. Adams stated it is technically an undeveloped piece of land owned by the County that is open to the public.

Discussion ensued regarding walking trails, homeless individuals accessing the property and a fence that is down.

THIRTEENTH ORDER OF BUSINESS

Supervisors' Requests

A Board Member asked if the CDD will tap into the County Green Village mainline, as the closest irrigation source, and if it will be metered. Mr. Adams stated the CDD has done that in other cases and Management received a periodic bill for the difference between what was billed and what the CDD's meter reflected.

- **To Do Action Items List**

This item, previously part of the Tenth Order of Business, was presented out of order.

Ms. Lonergan stated, other than the ongoing items that are constantly on the list, there are no other date-specific items that have not been completed.

FOURTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Rhodes and seconded by Ms. Vaughan, with all in favor, the meeting adjourned at 3:27 p.m.


Secretary/Assistant Secretary


Chair/Vice Chair