

**MINUTES OF MEETING
SOUTHERN HILLS PLANTATION I
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Southern Hills Plantation I Community Development District held a Regular Meeting on June 12, 2023 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, located at 4200 Summit View Drive, Brooksville, Florida 34601.

Present at the meeting were:

John McCoskrie (via telephone)	Chair
Brian McCaffrey	Vice Chair
Margaret Bloomquist (via telephone)	Assistant Secretary
Richard Pakan	Assistant Secretary
Matt Romero	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Grace Kobitter	District Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 10:01 a.m. Supervisors McCaffrey, Pakan and Romero were present. Supervisors Bloomquist and McCoskrie attended by telephone.

SECOND ORDER OF BUSINESS

Public Comments (Agenda Items)

There were no public comments.

THIRD ORDER OF BUSINESS

Ratification of Interlocal Agreement

Mr. Adams presented the Interlocal Agreement previously executed by the Chair. Although the Agreement was previously approved in substantial form, an addition was made to Paragraph 5D.

Mr. McCoskrie stated, while inserting the budget amount into the Agreement was not his first choice, after two years this is at a standstill so he had to make the decision. He feels that, although the Agreement is far from perfect, the CDDs can work with it and get it a bit closer, as this matter moves forward.

Discussion ensued regarding why CDD II was adamant about having a cap, the terms of the Agreement, the possibility of a True-Up and the possibility of future litigation.

On MOTION by Mr. Romero and seconded by Mr. McCaffrey, with all in favor, the Interlocal Agreement, was ratified.

FOURTH ORDER OF BUSINESS

**Discussion: Steadfast Environmental, LLC,
Waterway Inspection Report – June 2023**

Mr. McCoskrie stated that he and Ms. Bloomquist met separately with Mr. Hamilton to review all the ponds. To reduce unnecessary costs, rather than spraying weeds in the dry woods, they asked Steadfast to treat more selectively and clear areas in which sand deposits have built up peninsulas on the south and west banks due to runoff.

Ms. Bloomquist stated Steadfast was asked to reduce the frequency of maintenance for nine dry ponds to once a year.

Mr. McCoskrie stated the annual cost was reduced from \$46,000 to \$32,000.

Mr. Romero stated he could not locate L-7BB on the report. Mr. McCoskrie stated L-7BB is to the south of the one behind the Sales Center; that is an actively maintained pond and it was noted that Steadfast needs to do some work to the green areas and via boat in some areas. Ms. Bloomquist noted that it is included in the Agreement. Mr. McCoskrie stated Mr. Hamilton is aware that L-7BB is getting unruly and needs attention.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2023-03,
Approving a Proposed Budget for Fiscal
Year 2023/2024 and Setting a Public
Hearing Thereon Pursuant to Florida Law;
Addressing Transmittal, Posting and
Publication Requirements; Addressing**

Severability; and Providing an Effective Date

Mr. Adams presented Resolution 2023-03. He reviewed the proposed Fiscal Year 2024 budget, highlighting any line item increases, decreases and adjustments, compared to the Fiscal Year 2023 budget, and explained the reasons for any changes. The goal for Fiscal Year 2024 is to reduce operational costs to reduce the assessment levels. The "Aquatic maintenance" line item will be further reduced based upon the proposal in the agenda package.

Discussion ensued regarding the inadequacy of a recent culvert cleaning and a design issue impeding the cleaning.

Mr. McCoskrie stated he discussed the culvert cleaning with Mr. Hamilton, who advised that they scooped out what they could on the east side and repeated the process on the west side. There is still approximately 24" of sand within the 48" culvert; for three weeks, a fire hose was used for the clearing. A design issue blocks the clearing on the west side and it was hoped that heavy rains will naturally assist.

Discussion ensued regarding the length of the pipe preventing the sand from being cleared out.

Mr. Adams discussed other reductions and stated the budget changes discussed will result in an assessment decrease of \$55 to \$130 for on-roll assessment payers, as reflected on the Assessment Table. He stated the A-2 bond Trustee's failure to reset the amortization schedule and the continual accrual of interest at a higher rate than it should be continues to affect the Debt Service Fund; this remains an issue for the Trustee to address. The proposed Fiscal Year 2024 budget will be refined further over the coming months.

On MOTION by Mr. Pakan and seconded by Mr. Romero, with all in favor, Resolution 2023-03, Approving a Proposed Budget for Fiscal Year 2023/2024 and Setting a Public Hearing Thereon Pursuant to Florida Law on August 14, 2023 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, located at 4200 Summit View Drive, Brooksville, Florida 34601; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2023-04, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2023/2024 and Providing for an Effective Date

Mr. Adams presented Resolution 2023-04.

On MOTION by Mr. McCaffrey and seconded by Mr. Pakan, with all in favor, Resolution 2023-04, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2023/2024 and Providing for an Effective Date, was adopted.

SEVENTH ORDER OF BUSINESS

Consideration of Steadfast Environmental, LLC Proposal and Estimates

A. 2023 Aquatic Maintenance Proposal

Mr. Adams stated Steadfast will be engaged at the lower rate and the expense will be budgeted accordingly. Mr. McCoskrie asked Mr. McCaffrey to execute the Agreement in his absence.

Mr. McCoskrie presented the following:

- B. Estimate 834 [L9II Bush Hog]**
- C. Estimate 835 [L10BB Dirt Peninsula – Remove/Redistribute]**
- D. Estimate 836 [L8BB Wax Myrtle Removal]**
- E. Estimate 837 [L10CC/L5II Outflow Structure Plantings]**
- F. Estimate 838 [L5II Peninsula Removal]**
- G. Estimate 839 [L200AA Forestry Mulching]**

On MOTION by Mr. McCaffrey and seconded by Mr. Pakan, with all in favor, the Steadfast Environmental, LLC Proposal and Estimates, as presented, were approved.

EIGHTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of April 30, 2023

Mr. Adams presented the Unaudited Financial Statements as of April 30, 2023.

With regard to the “Due from Southern Hills III” line item amount and a balance discrepancy that might show in “Deferred Receipts” on the Balance Sheet, Mr. McCoskrie stated, after reviewing the General Ledger detail in recent weeks, it appears that CDD III is current and up to date with its payments. He stated that Mr. Michal Szymonowicz, from the District Management office and the liaison with the Bond Trustee, emailed on May 15, 2023 to advise that CDD I paid \$139,925 in interest on the A-1 bonds. Mr. McCoskrie stated, based on his most recent amortization schedule, he thought it was \$128,300 and he believed the interest was not accurate due to being behind with some bond payments; however, Mr. Szymonowicz indicated that the principal paid was \$255,000 and, according to his most recent amortization schedule, which showed \$235,000, there was a \$20,000 difference. It was also indicated that \$5,000 in repayments were made. Mr. McCoskrie recalled that, at the last meeting, he had some bond amortization sheets from 2021, 2022 and 2023 and, in his opinion, there were some inconsistencies in principal payments. On the A-2 bond, CDD I paid interest of \$113,390 but his information showed the amount scheduled as \$103,000. As the things move forward with the CDD II matter resolved, Mr. McCoskrie wants to better understand the bond amortizations. He recalled that Mr. Szymonowicz believed there might have been 10 lots escheated in 2017 but Mr. Szymonowicz needs to verify that information; Ms. Kilinski is aware of this. He recalled that 37 lots were done in 2021, the last 11 lots were just done and some additional payments were collected as they closed. Some work remains to be done on the bond amortization to reflect bond prepayments.

The financials were accepted.

NINTH ORDER OF BUSINESS

Approval of April 10, 2023 Meeting Minutes

Mr. Adams presented the April 10, 2023 Meeting Minutes.

The following changes were made:

Line 201: Change “months were acceded” to “properties escheated”

Line 223: Change “Pagan” to “Pakan”

On MOTION by Mr. McCaffrey and seconded by Mr. Pakan, with all in favor, the April 10, 2023 Meeting Minutes, as amended, were approved.

TENTH ORDER OF BUSINESS

Other Business

Mr. McCoskrie stated, as the CDD II Agreement was being finalized, the outstanding bill of \$35,000 for the litigator was negotiated down to \$30,000. Between Kent and Ms. Kilinski, fees totaled approximately \$100,000. CDD III indicated it would pay up to \$30,000, or 23.8% of CDD I’s legal costs in this matter, which total \$23,800. Mr. Adams was asked to remit payment to Kent and bill CDD III for its portion due.

Mr. Adams stated the litigation bill was paid and a bill was remitted to CDD III, accordingly. The \$20,000 from CDD II was received.

Mr. McCaffrey stated he met with Mr. Wallen to review Southern Hills Boulevard. Due to issues with some plant varieties that do not tolerate a heavy phosphorus load in the CDD’s water, Mr. Wallen must replace 40 plantings with another variety. Mr. Wallen will provide a quote to repair the fence along the pond in the front and a quote for power washing and painting the crown moulding. Azaleas might be planted near the pergola. Deer do not seem to be an issue in that area due to traffic. Annuals will be switched out within the next two weeks, as specified in the contract.

ELEVENTH ORDER OF BUSINESS

Staff Reports

- A. **District Counsel: Kilinski | Van Wyk PLLC**
- B. **District Engineer: Coastal Engineering Associates, Inc.**
- C. **District Manager: Wrathell, Hunt and Associates, LLC**
 - **415 Registered Voters in District as of April 15, 2023**
 - **NEXT MEETING DATE: July 10, 2023 at 10:00 AM**
 - **QUORUM CHECK**

There were no reports from Staff.

TWELFTH ORDER OF BUSINESS

Supervisors' Requests

There were no Supervisors' requests.

THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. McCoskrie and seconded by Mr. McCaffrey, with all in favor, the meeting adjourned at 10:55 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair