

**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 10, 2024 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, located at 4200 Summit View Drive, Brooksville, Florida 34601.

Present were:

John McCoskrie	Chair
Brian McCaffrey	Vice Chair
Richard Pakan	Assistant Secretary
George Ostensen	Assistant Secretary

Also present:

Chuck Adams	District Manager
Grace Kobitter	District Counsel
Joe Calamari	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 10:00 a.m.

Supervisors McCoskrie, McCaffrey, Pakan and Ostensen were present. Supervisor Bloomquist was not present.

SECOND ORDER OF BUSINESS

Public Comments (Agenda Items)

No members of the public were present.

THIRD ORDER OF BUSINESS

**Update/Discussion/Consideration:
Steadfast Environmental, LLC Items**

Mr. McCoskrie stated that Mr. Hamilton would normally present the Inspection Report; however, he was unable to attend the meeting. Last month, a large Steadfast proposal was approved and extensive monitoring has been done.

A. Waterway Inspection Report - June 2024

Mr. McCoskrie presented the Report and noted the following:

- Algae is present in the main ponds, including L-5GG and 8-CC. While some of these ponds appear clear at times, the wind blows algae from one end to the other.
- 5-AA, 5-HH, 9-CC, 9-II and 10-AA look good.
- 5-EE is dried up; some mowing might be done in the bottom of the pond.
- 11-AA is completely dry; it is all mowed and flat and looks very nice.
- 5-II is nearly dry.
- Algae and nuisance grass treatments will be administered, as needed.

Mr. McCoskrie stated that Mr. John Meeks suggested that vegetation in 8-AA is causing the algae issue, to some extent, and submitted a \$28,644 proposal to remove the vegetation in 8-AA. He submitted a \$2,700 proposal to plant spikerush to mitigate algae growth. If neither proposal is accepted, Mr. Meeks' boat can be rented to skim algae off the ponds, at an hourly rate of \$170. He noted that the ponds have two types of algae; however, the boat can only skim algae off the top. He recalled that vegetation was cleared from 8-CC, behind the sales center, and stated he believes the vegetation is not the primary driver of algae growth. He suggested reverting back to the normal pond treatment schedule, as, in his opinion, the two recent experiments had mixed results.

Discussion ensued regarding the proposals, SePro treatments and the effects of reclaimed water being pumped in from the City. It was noted that water levels are very low and grasses on exposed islands can be cut or treated.

The consensus was to wait at this time.

Mr. McCoskrie stated that the fish permit was received; 172 triploid grass carp will be released into 14 acres of the main ponds. Mr. Adams stated that fish barriers will prevent migration. It was noted that the fish are provided by Steadfast at no cost to the CDD.

Mr. McCoskrie asked Mr. Calamari to review the stormwater management system operation and maintenance (O&M) manual that was included with the information related to deeding the Buckner property to the CDD in 2013 and continue to review and ensure

compliance. Mr. Calamari stated that he will do so and stated the document includes basic information that is sent to every permittee.

It was noted that boring is underway at 5-CC, in conjunction with the investigation of a subsidence. Mr. Adams stated that boring is necessary due to the limited scope of Sonar®; a report will likely be presented at the next meeting.

Discussion ensued regarding ongoing box culvert excavations at Autumn Oak.

Mr. McCoskrie recalled that, about a year ago, the Board decided that, every quarter, a backhoe will excavate the east and west sides of the culvert. Two to three weeks ago the work was completed; vegetation was treated and removed and catch basins were dug on both sides where a double pipe passes under the road. Staff will stay on top of the situation; the work was scheduled. The culvert is clean and ready for summer.

FOURTH ORDER OF BUSINESS

Continued Review/Discussion: Proposed Fiscal Year 2025 Budget

The Board and Staff discussed the proposed Fiscal Year 2025 budget.

Mr. McCoskrie stated that, with the latest version of the proposed Fiscal Year 2025 budget, assessments will increase about \$275, which will add revenue but it would still result in a budget shortfall. He stated that some coding issues also require correction and information requested from the pond and lake vendors is still outstanding. He discussed budget shortfalls in the “Aquatic maintenance”, “Lake/pond bank maintenance” and “Lake/pond repair” line items and estimated a total revenue deficit of approximately \$119,000 with those expenses. He proposed restoring the proposed Fiscal Year 2025 budget to the Fiscal Year 2024 levels with the same level of assessment.

Mr. Pakan suggested using the interest income from the investment accounts to reduce the deficit.

Mr. Adams stated he will update the proposed Fiscal Year 2025 budget to add \$20,000 to the interest earnings and increase “Lake/pond bank maintenance” another \$25,000, which would bring the proposed assessment increase to \$280 for the 80’ lots.

Mr. McCoskrie stated his goal is to avoid fluctuating assessments year-to-year, as they were high a few years ago and they have been brought down in recent years.

Mr. Adams stated he will make these latest edits and the updated proposed Fiscal Year 2025 budget will be included in the next agenda. The Board will have one more opportunity to make adjustments before the Public Hearing in August.

FIFTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of April 30, 2024

Mr. Adams stated that he followed up with SHPCDD II and received a very quick and positive response; he expects a check any day.

Discussion ensued regarding collection of the debt and whether interest should be applied. The consensus was to waive charging interest if the money is received in June; however, if it becomes necessary to have District Counsel send a letter, interest will be applied.

Mr. Adams will confirm what principal and interest payments were made.

On MOTION by Mr. McCroskie and seconded by Mr. Pakan, with all in favor, the Unaudited Financial Statements as of April 30, 2024, were accepted.

• **Discussion: Amortization Schedule**

Mr. McCoskrie stated a conference call was held with the Trustee, who represents the Bond Holders. The CDD’s position is that 48 lots escheated to the County and, at that point, the liens were cancelled or terminated. The Bond Holders’ position is that, to some extent, the assessments should be reassessed once those parcels and lots were sold to an unrelated third party away from the County. He noted that the CDD sold all 37 of the first set to the builder, which would have been a third party. The next 11 lots were sold sporadically to various other individuals. Since the meeting, research from the Bond Holders to substantiate their position is pending. He voiced his opinion that the Trustee is moving slowly.

Ms. Kobitter stated that Staff is waiting on the Trustee for confirmation of the direction they want the CDD to take to reassess the parcels. She noted that a waiver from the Trustee

and the Bond Holders will be requested prior to certifying the tax roll. Staff has been following up on the status of the research but they say they are comfortable with the reassessment, as those 48 lots are benefiting from the improvements in the Capital Improvement Plan (CIP). Staff will continue to follow up with the parties. Upon receiving confirmation, the Resolution to levy the assessments will be prepared, Mailed and Published Notices will be sent and the hearing will be held around the time of the budget Public Hearing in August. She noted that assessments would not be retroactive.

Discussion ensued regarding the need for a waiver, the CDD’s position regarding reassessment and the illegitimacy of any claims against the Reserve Fund by escheated lots.

Mr. Pakan voiced his opinion that there would need to be a strong legal argument to justify reassessing those liens, as a precedent would be set. Mr. Adams stated that has been requested.

Mr. McCoskrie stated the matter of true-up of lost assessment revenue must also be addressed.

Ms. Kobitter will follow up with the Trustee and Trustee’s Counsel and provide updates as they become available.

Mr. McCoskrie discussed the CDD’s diligence and stated he compared the Trustee’s Amortization Schedule, which does not match the CDD’s adjusted Amortization Schedule, because the Trustee has never acquiesced to the CDD’s adjustments. He discussed the need for an agreement regarding Amortization Schedules.

Mr. McCoskrie reported that there is a total difference of \$545,000 in the Amortization Schedules.

SIXTH ORDER OF BUSINESS

Approval of May 13, 2024 Regular Meeting Minutes

Mr. McCoskrie presented the May 13, 2024 Regular Meeting Minutes.

The following changes were made:

Line 182: Change “275,000” to “\$275”

Line 182: Change “250,000” to “\$250”

Discussion ensued regarding truck traffic and roadway scuffing at Point Place and Shelter Hill.

On MOTION by Mr. McCoskrie and seconded by Mr. McCaffrey, with all in favor, the May 13, 2024 Regular Meeting Minutes, as amended, were approved.

SEVENTH ORDER OF BUSINESS

Other Business

Discussion ensued regarding SePro treatments.

Mr. McCoskrie will email to advise Mr. Hamilton to hold any remaining treatments until the pond water levels rise.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: Kilinski|Van Wyk PLLC

Ms. Kobitter reminded the Board about the new requirement to complete four hours of ethics continuing education by December 31, 2024; completion will be reported by checking a box on Form 1 when filing it in 2025.

Discussion ensued regarding the requirement to file Form 1.

Mr. Adams stated that Board Members will receive an email from the Florida Commission on Ethics guiding them to register, which will enable them to file Form 1 electronically.

Mr. Adams will email the Memorandum explaining the ethics training requirements. Ms. Kobitter stated, if Board Members decide to participate in a joint training course, a public meeting must be advertised to remain in compliance with the Sunshine Law.

Mr. McCaffrey announced his intention to resign from the Board in the coming weeks; the August meeting will be his last meeting.

Mr. McCoskrie noted that Mr. McCaffrey has been overseeing the Boulevard and serving as the Committee Member to work with the other CDDs. Mr. McCaffrey stated

he will provide information and assist in the transition. Mr. Pakan will assist with bond-related matters. Mr. Ostensen will serve as delegate to work with the other CDDs.

Discussion ensued regarding the irrigation system.

B. District Engineer: Coastal Engineering Associates, Inc.

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

There were no Staff reports.

- **488 Registered Voters in District as of April 15, 2024**
- **NEXT MEETING DATE: July 8, 2024 at 10:00 AM**
 - **QUORUM CHECK**

NINTH ORDER OF BUSINESS

Supervisors' Requests

There were no Supervisors' requests.

TENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. McCoskrie and seconded by Mr. Pakan, with all in favor, the meeting adjourned at 10:58 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

CP 5 A L:

Secretary/Assistant Secretary

John Meloni

Chair/Vice Chair