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 Public Hearing and Regular Meeting on August 12, 2024 at 10:00 a.m., at the Southern Hills Fitness Center, 19860 Southern Hills Boulevard, Brooksville, Florida 34601.

Present were:

John McCoskrie	Chair
Richard Pakan	Vice Chair
George Ostensen	Assistant Secretary
Margaret Bloomquist	Assistant Secretary
Eugene Tomashosky	Assistant Secretary

Also present:

Chuck Adams	District Manager
Grace Kobitter	District Counsel
Joe Calamari	District Engineer
Josh McGarry	SePro Corporation (SePro)
Joe Hamilton	Steadfast Environmental, LLC (Steadfast)
Jamie	Steadfast Environmental, LLC (Steadfast)
Alex Kurth	Premier Lakes

FIRST ORDER OF BUSINESS **Call to Order/Roll Call**

Mr. Adams called the meeting to order at 10:28 a.m. He stated the regular meeting location of Southern Hills Plantation Clubhouse, at 4200 Summit View Drive, Brooksville, Florida 34601 became available so the meeting is being held at the regular location. A sign was posted at the Fitness Center location advising potential attendees of the new location.

All Supervisors were present.

SECOND ORDER OF BUSINESS **Public Comments (Agenda Items)**

There were no public comments.

THIRD ORDER OF BUSINESS **Consideration of Resolution 2024-06, Electing and Removing Officers of the District and Providing for an Effective Date**

Mr. Adams presented Resolution 2024-06. The following nominations were made:

John McCoskrie	Chair
Richard Pakan	Vice Chair
Margaret (Peg) Bloomquist	Assistant Secretary
George Ostensen	Assistant Secretary
Eugene Tomashosky	Assistant Secretary

No other nominations were made.

This Resolution removes the following from the Board:

Brian McCaffrey	Vice Chair

The following prior appointments by the Board remain unaffected by this Resolution:

Chesley "Chuck" Adams	Secretary
Craig Wrathell	Assistant Secretary
Craig Wrathell	Treasurer
Jeff Pinder	Assistant Treasurer

On MOTION by Mr. McCoskrie and seconded by Mr. Ostensen, with all in favor, Resolution 2024-06, Electing, as nominated, and Removing Officers of the District and Providing for an Effective Date, was adopted.

FOURTH ORDER OF BUSINESS **Presentation of Audited Financial Report for the Fiscal Year Ended September 30, 2023, Prepared by Berger, Toombs, Elam, Gaines and Frank**

This item was presented following the Seventh Order of Business.

FIFTH ORDER OF BUSINESS **Consideration of Resolution 2024-05, Hereby Accepting the Audited Annual Financial Report for the Fiscal Year Ended September 30, 2023**

This item was presented following the Seventh Order of Business.

SIXTH ORDER OF BUSINESS **Update/Discussion/Consideration: Steadfast Environmental, LLC Items**

A. Waterway Inspection Report – August 2024

Mr. McCoskrie reviewed the Waterway Inspection Report. He stated that, due to the issue of recurring algae blooms in the ponds and the Board's decision to explore other methods, he invited Mr. Alex Kurth, of Premier Lakes, to inspect the ponds today and report his findings and recommendations.

It was announced that there would be presentations from contractors and, as a professional courtesy, each company representative will leave the room while the other is presenting.

Mr. Josh McGarry disclosed working with both companies.

Mr. Hamilton, of Steadfast, gave an overview of ongoing issues and actions taken to address the five ponds with various issues and changing the treatment program to perform Sonar® treatments once a month. He noted that monthly material and labor costs have increased and sometimes exceeded profit margins.

Mr. Hamilton, of SePro, stated that, since Steadfast initiated the six-month program of the basic dose to manage those five ponds, they found out the City is pumping a lot more nutrient rich water in the ponds. He recommended implementing a program where an injection pump system is installed to regulate the fertilizer flowing into the ponds, in the wet and dry seasons. This is costly but it enables the CDD to control phosphorate levels. In response to questions, he noted that hydrilla cannot be eradicated and must be managed and chemicals will leech into the ponds if sprayed around the edge; spraying in the middle of the ponds is necessary to treat grasses, vegetation, brush and submersed weed vegetation. Mr. Hamilton confirmed that boats are being used to treat littoral shelves where needed and the gator is the primary vehicle.

The Board Members discussed pond conditions after the City pumps in reclaimed water and after a rain event. Mr. Hamilton stated that Steadfast is adjusting its program where needed and is maintaining control over five ponds, which is resulting in expenses exceeding contract. He suggests bypassing irrigation and applying a 90-day heavy Sonar® treatment to one pond at a time to possibly see longer term results.

The following were discussed:

- A costly herbicide that was successful in treating hydrilla and is irrigation safe that the CDD can consider if it does not want to consider injection pumps or bypassing the irrigation system.

- The option of using a new Flora product that suppresses hydrilla growth after the initial 90-day heavy Sonar® treatment period, which requires applying specific low dosage late spring or January and is safe on turf under certain concentration.
- For long-term control, about 65,000 carp were stocked as a form of biological control, in Ponds L8-CC, L5-GG and L5-HH.

Mr. Calamari noted that it is possible to bypass the irrigation system to apply a 30-day or 60-day heavy Sonar® treatment at Pond L8-CC, as they can pump water using the groundwater well behind the Amenity Center, but will have to verify this. Ms. Bloomquist suggested posing this option to the City.

SEVENTH ORDER OF BUSINESS **Consideration of Premier Lakes Proposal for Lake Management**

Mr. Kurth pointed out that, after inspecting the ponds days after the scheduled treatments, they showed no signs of recent treatment, which is outlined in the Management Summary at the end of his Report. He gave an overview of his company, staff and professional experience.

Mr. Kurth stated that, if Premier is awarded the contract, he will not make any recommendations today until he sees how his treatment of verticals affect the algae first, as they might not need to take more practice steps. He voiced his opinion that the submersed vegetation has been growing out of control for some time.

- **One-Time Work Order Agreement**

Mr. Kurth presented the One-Time Work Order Agreement and the project scope. He responded to questions regarding Premier's long-term approach to maintain the ponds, project scope and coordinating efforts with the Golf Course and the City.

If the Board approves the One-Time Work Order Agreement Mr. McCoskrie suggested revising it to treat the ponds that are causing the most issues. He thanked Mr. Kurth and stated he will be notified of the Board's decision.

Mr. McCoskrie distributed and presented a spreadsheet comparing the approach and costs of the two companies. He proposed using Steadfast for the dry ponds. Board Members pointed out differences between the two presentations and some attending a presentation to determine the effectiveness of nano-bubbler systems. The Board consensus was to wait 30 days to review the information and see if the conditions improve, before deciding to terminate the current Steadfast contract and award the Aquatics Management Services contract to Premier Lakes.

- **Presentation of Audited Financial Report for the Fiscal Year Ended September 30, 2023, Prepared by Berger, Toombs, Elam, Gaines and Frank**

  This item, previously the Fourth Order of Business, was presented out or order.

Mr. Adams stated that Mr. Gaines was unable to connect to the meeting via telephone.

Mr. Adams noted the pertinent information in the Audited Financial Report for the Fiscal Year Ended September 30, 2023. The CDD received a clean audit, which is the best rating that the CDD can obtain; there were no findings, recommendations, deficiencies on internal control or instances of non-compliance.

Mr. McCoskrie suggested having the Auditor change the “Due from Developer” classification as a current asset since this has not been collectible for some time.

Regarding the delinquent amount in the Debt Service Fund, Mr. Adams stated that the CDD’s sole responsibility is to collect funds and submit those funds to the Trustee; any other action will require the CDD to receive direction from the Trustee, who is receiving direction from the bondholders, who have not demanded any payment at this time.

Mr. McCoskrie recalled Mr. Burrs telling him of speaking with the bondholders and being fine without paying them as they are going to improve the property to sell the lots. Mr. Adams stated that Mr. Burrs has a relationship with the two primary bondholders.

Mr. Pakan noted errors in the first paragraph, on Page 25, Note C-Related Party Transactions and listing the findings mentioned in the last paragraph on Page 35 that “we did note the following findings”. Ms. Kobitter stated that she submitted additional edits to the District Management’s office last week to incorporate into the Report.

- **Consideration of Resolution 2024-05, Hereby Accepting the Audited Annual Financial Report for the Fiscal Year Ended September 30, 2023**

  This item, previously the Fifth Order of Business, was presented out or order.

On MOTION by Mr. McCoskrie and seconded by Mr. Pakan, with all in favor, Resolution 2024-05, Hereby Accepting the Audited Annual Financial Report for the Fiscal Year Ended September 30, 2023, subject to incorporating Ms. Kobitter’s edits in the Report and other edits discussed today, was adopted.

EIGHTH ORDER OF BUSINESS **Public Hearing on the Adoption of the Fiscal Year 2024/2025 Budget**

A. Proof/Affidavit of Publication

B. Consideration of Resolution 2024-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2024, and Ending September 30, 2025; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Adams stated that the proposed Fiscal Year 2025 budget is the same as the version approved at the last meeting.

Mr. Adams opened the Public Hearing.

No affected property owners or members of the public spoke.

Mr. Adams closed the Public Hearing.

On MOTION by Mr. McCoskrie and seconded by Mr. Ostensen, with all in favor, Resolution 2024-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2024, and Ending September 30, 2025; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

NINTH ORDER OF BUSINESS **Consideration of Resolution 2024-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2025; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date**

Mr. Adams presented Resolution 2024-08, known as the Assessment Levying Resolution.

Mr. McCoskrie stated that the Trustee has not responded to the request for a revised amortization schedule or directed the CDD to re-levy the 48 escheated lots in the Debt Service fund. In referring to Mr. McCoskrie's comment regarding "Direct Bill Assessments" in Section 3B of the Resolution, Mr. Adams stated that the "Due from Developer" Debt Service Fund off-roll assessments are direct billed because it is a requirement of the bond documents; foreclosing on the property cannot occur until the lots are platted and built. Mr. McCoskrie indicated that those funds do not belong to the CDD; he believes that the bondholders do not want to do anything or replace them and have to start all over with someone else.

On MOTION by Mr. McCoskrie and seconded by Mr. Ostensen, with all in favor, Resolution 2024-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2025; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

TENTH ORDER OF BUSINESS **Acceptance of Unaudited Financial Statements as of June 30, 2024**

- **Discussion: Amortization Schedule**

This item was discussed during the Ninth Order of Business.

Mr. Adams pointed out that CDD I deposited CDD II's $20,000 payment on July 7, 2024. He will have BankUnited shift $45,000 from the money market account to the ICS account.

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

ELEVENTH ORDER OF BUSINESS **Approval of July 8, 2024 Regular Meeting Minutes**

The following changes were made:

After Line 19: Insert "Jennifer Kilinski" and Kilinski|Van Wyk PLLC"

Line 218: Change "73 Report" to "July 3, 2024 Community Status Report"

Regarding the comment on Line 89, Mr. McCoskrie stated that Ms. Kilinski does not need to send letters to the 48 escheated lot owners.

Line 224: Change "sandblasting" to "sidewalk concrete shaving"

Regarding the comment on Line 224, Mr. McCoskrie stated that he will forward the $16,000 contract he and Trent obtained to shave all the sidewalks going down the Boulevard, to pass on to the City, since they own the roads and right-of-ways (ROW).

On MOTION by Mr. McCoskrie and seconded by Mr. Tomashosky, with all in favor, the July 8, 2024 Regular Meeting Minutes, as amended, were approved.

TWELFTH ORDER OF BUSINESS Other Business

Mr. McCoskrie asked if Lennar removing all the socks out of the storm drains so that the streets/houses would not flood was the correct thing to do and asked if they should they pay for debris cleanup. Mr. Calamari stated that he tends to agree with leaving them in; however, there may be some complications due to elevation levels. He also agrees with opening them up to allow the water to drain properly. He noted that the CDD is an ongoing construction site and should expect to have sedimentation, etc., in the streets, especially when a 25-year rainfall event occurs and until construction of the subdivision is completed. Lennar was cleaning up the debris in the streets last Monday but not debris in the ponds and pipes. He will check with the construction firm to see if they have a standard plan to install socks.

Discussion ensued regarding City crews blowing debris into the grates, the HOA enforcing the rules and considering a request to start taking funds from the builder's deposit to pay the cleanup expenses. A stop-order was placed on a builder due to the golf course conditions.

Mr. McCoskrie and another person inspected the depression areas in pond L5A-A and that person agreed with the recommendation of the Engineer who wrote the Report, which is to monitor the depression areas, as both areas show no evidence of increasing but reconsider that approach if conditions change. Mr. Calamari stated he will review the plans to determine if there are pipes in Pond L5A-A. Mr. McCoskrie asked Mr. Calamari to inspect the lake bank erosion adjacent to the structure between Ponds L10A-A and L10B-B.

THIRTEENTH ORDER OF BUSINESS Staff Reports

A. District Counsel: Kilinski|Van Wyk PLLC

- **Memorandum: Goals and Objectives Reporting**

Ms. Kobitter presented the memorandum outlining the new state requirement for CDDs to establish and adopt goals and objectives each year by October 1. District Counsel collaborated with District Management to identify key categories, which primarily consist of what the CDD is already required to do, statutorily. Mr. Adams stated that this will require Mr. Hamilton periodically auditing the project and providing a memorandum of the results.

> **On MOTION by Mr. McCoskrie and seconded by Ms. Bloomquist, with all in favor, the Goals and Objectives and the Performance Measures/Standards & Annual Reporting Form, were approved.**

Ms. Kobitter stated that she is working on the property due diligence within the CDD regarding what the CDD owns and is required to maintain and identified a few tracts that were dedicated by plat but for which she does not have any conveyance documents. She is preparing them with Mr. Calamari and Mr. Adams' assistant to present soon. Mr. McCoskrie stated that it looks to be about ten conservation easements behind resident homes on Summit View Drive that the CDD is responsible for maintaining.

B. District Engineer: Coastal Engineering Associates, Inc.

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

There were no District Engineer or District Management reports.

- **NEXT MEETING DATE: September 9, 2024 at 10:00 AM**
  - **QUORUM CHECK**

FOURTEENTH ORDER OF BUSINESS **Supervisors' Requests**

Ms. Bloomquist stated that she asked Joe to inspect Dr. Patel's property on Summit, as he reported water flowing into his garage; there might be an easement there.

Discussion ensued regarding ongoing drainage issues, an opinion that builders are building single-family lots below elevation and not constructing swales properly, the possible problems if a 100-year storm occurs, the clogged box culvert on Summit View that is clogged and needs to be cleaned out again and opinions that the outfall structure has a design issue.

FIFTEENTH ORDER OF BUSINESS **Adjournment**

> **On MOTION by Mr. McCoskrie and seconded by Mr. Pakan, with all in favor, the meeting adjourned at 12:07 p.m.**

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Secretary/~~Assistant Secretary~~

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Chair/~~Vice Chair~~