

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

The Board of Supervisors of the Southern Hills Plantation I Community Development District held Public Hearings and a Regular Meeting on August 11, 2025 at 10:00 a.m., at the Southern Hills Plantation Clubhouse, 4200 Summit View Drive, Brooksville, Florida 34601

Present:

John McCoskrie
Richard Pakan
Margaret Bloomquist
George Ostensen
Eugene Tomashosky

Chair
Vice Chair
Assistant Secretary
Assistant Secretary
Assistant Secretary

Also present:

Chuck Adams
Grace Rinaldi
Joe Calamari
Alex Kurth (via telephone)
Pat Powell
Kevin Hiller
Residents

District Manager
District Counsel
District Engineer
Premier Lakes, Inc. (Premier)
Steadfast
Steadfast

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 10:01 a.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comments (Agenda Items)

Mr. Powell, of Steadfast, introduced himself. Kevin Hiller discussed his qualifications and experience, and stated he will represent Steadfast with the HOA; he expects to be on site four days per week.

THIRD ORDER OF BUSINESS

Update/Discussion/Consideration: Premier Lakes, Inc. Items

- **Lake Maintenance Reports – July 2025**

Mr. Kurth presented the June Lake Maintenance Reports. Mr. Calamari will inspect a depression that caused the riding mower to get stuck.

Mr. Kurth stated he will use specialized equipment to access hard to reach islands and peninsulas, including L-10BB and L-10CC. Slender spikerush in L-200AA is being treated which accounts for the appearance; a technician will follow up. Lake L-8CC continues to be a problem; a planting proposal should potentially be considered.

Mr. McCoskrie asked for Ponds L-5EE, L-11AA and L-12AA to be inspected. Mr. Kurth stated the technician inspected them. He will make sure they are in the report. Lake L-8CC looked much better. He thinks the Developer is going to address the littoral shelf of the pond owned by Southern Hills Irrigation but asked if the Board wants a proposal. He will follow up and will re-send the reports regarding the lakes stocked with grass carp.

FOURTH ORDER OF BUSINESS**Public Hearing on Adoption of Fiscal Year
2025/2026 Budget**

- A. Affidavit of Publication**
- B. Consideration of Resolution 2025-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2025, and Ending September 30, 2026; Authorizing Budget Amendments; and Providing an Effective Date**

Mr. Adams presented Resolution 2025-07. He reviewed the proposed Fiscal Year 2026 budget. The Property Appraiser's Fee was removed and the Tax Collector's Fee was increased.

On MOTION by Mr. McCoskrie and seconded by Mr. Pakan, with all in favor, the Public Hearing was opened.

No affected property owners or members of the public spoke.

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

On MOTION by Mr. McCoskrie and seconded by Mr. Tomashosky, with all in favor, Resolution 2025-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2025, and Ending September

30, 2026; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on the Imposition of Maintenance and Operation Assessments to Fund the Budget for Fiscal Year 2025/2026, Pursuant to Florida Law

- A. Affidavit of Publication**
- B. Mailed Notice to Property Owners**
- C. Consideration of Resolution 2025-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2026; 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 2025-08.

On MOTION by Mr. McCoskrie and seconded by Mr. Ostensen, with all in favor, the Public Hearing was opened.

No affected property owners or members of the public spoke.

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

On MOTION by Mr. McCoskrie and seconded by Mr. Tomashosky, with all in favor, Resolution 2025-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2026; 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.

SIXTH ORDER OF BUSINESS**Discussion: SHP Developers LLC Corrective Twelfth Amendment**

Ms. Rinaldi presented the SHP Developers LLC Corrective Twelfth Amendment, which is unchanged since it was presented at the July meeting. Mr. Pakan's concern regarding mowing the pond banks behind private property lots was addressed; no lots immediately abut pond banks and all have some level of a buffer. Private property owners should not perform any maintenance on CDD property. Resident concerns about improvements listed within the Amendment, which the HOA describes as homeowner responsibility, should be individually discussed with the HOA, as those are not necessarily CDD concerns. Mr. McCoskrie stated Mr. Pakan also questioned who is responsible for street gutters and it was noted that they are not a CDD issue. Ms. Rinaldi confirmed that all property in the buffer zone between the end of the lot and the pond bank is owned by the CDD for the ponds that the CDD owns, and the CDD will maintain those areas.

Mr. Pakan stated he spoke with an HOA Board Member who indicated street gutters were addressed on July 30, 2025 and the Board agreed that street gutters are part of the roadway and it would be the HOA's responsibility. Ms. Rinaldi will follow up with the HOA's attorney.

SEVENTH ORDER OF BUSINESS**Consideration of Titan Foundation Repair Specialist LLC Agreement for Depression Repair Services**

Mr. McCoskrie recalled a \$24,000 proposal for excavation, cleanout and assessment for filling L-7AA was previously considered. Since then, Mr. Calamari met with Titan Foundation Repair Specialist, LLC, which proposed a complete solution, in the amount of about \$38,000.

Discussion ensued regarding the proposal and the scope of work.

Ms. Rinaldi stated the Agreement includes a one-year warranty for materials, services and workmanship; Acts of God are excluded.

Mr. Calamari suggested the area be monitored to ensure it is not expanding but, if so, it should be filled right away; otherwise, it would be best done during dry season.

On MOTION by Mr. McCoskrie and seconded by Mr. Tomashosky, with all in favor, the Titan Foundation Repair Specialist LLC Agreement for Depression Repair Services to address the depression in L-7AA, in the amount of \$38,251.12, was approved.

EIGHTH ORDER OF BUSINESS**Discussion: District's Responsibility for Water Management/Drain Maintenance adjacent to the Golf Course Fairways [4580 Southern Valley Loop]**

Mr. McCoskrie discussed an ongoing issue with homeowner lanais and pools being overrun with water draining from the fairway buffer areas along the 14th and 15th fairways. He discussed it with Mr. Knierim and District Counsel and Mr. Knierim is stating the drains alongside the fairways are part of the stormwater system. Mr. Knierim has noted that the CDD performs work in its easement area. It was noted that some work is within the easement and some is not.

Mr. McCoskrie read an email response from Clif Manuel: "There is no legal issue if the CDD and the Golf Course work together to resolve this... In order for Coastal to assist with the required solution, we will need an approved task. With Jim and I out there and Jimmy Watler, we decided that Jimmy could... build the berms and the swales without having to... do a bunch of surveying work... we don't plan to engage Coastal on this berm work. Meredith from Grace's office (Legal Counsel) also confirmed Cliff's statement below. This will require joint efforts of the District and the Golf Course, a property under the jurisdiction of both entities."

Mr. McCoskrie thinks the email shows that it is a joint responsibility and that the buffer areas along the golf course are not clearly defined. He is encouraging Mr. Knierim to take it up with the 40 homeowners that line those two fairways. Mr. McCoskrie's idea is for The Club to build a berm going to the drainage area to capture the water. The berms have eroded over the past 15 years; the berm on the west side of #14 and #15 will be rebuilt. Work on the east side of #14 and #15 is underway. Mr. Knieriem believes it will cost approximately \$20,000 to repair and he wants the CDD to be able to contribute \$10,000 to the berm restoration and sodding to prevent the berm from eroding. Mr. Knieriem is arranging for homeowners to be given a chance to buy additional sod in order to sod their yards out further to the berm. Work is scheduled to begin on August 25, 2025, when the golf course will be closed for three days.

Mr. McCoskrie will seek approval from the Board to contribute up to \$10,000 for construction of berms along #14 and #15 and the related sodding of as a shared expense with the golf course.

Discussion ensued regarding the scope of proposed repairs, cost sharing, the offer to replace pine straw with Bahia sod, variations among individual homeowners' remediations, areas mowed by the HOA, the need to work through the District Manager, the need to copy all correspondence to the District Manager, etc.

Mr. McCoskrie stated that an Incident Form will be developed and sent to Zita and copied to Mr. Adams. Mr. Adams' name will be added to the email, rather than his own.

Ms. Bloomquist suggested the two-page summary of the differences between the CDD and the HOA be edited to include Mr. Adams' name, that Mr. Knierim be advised to send that to homeowners, and that the HOA be informed about homeowners being advised to add sod.

Discussion ensued regarding the HOA and the CDD's joint responsibility for the berm construction project.

Ms. Rinaldi recommended involving the District Engineer and Coastal Engineering in the project; Mr. Calamari's office is determining whether this is a CDD responsibility and whether the CDD infrastructure or improvements need to be addressed. The CDD has drainage easements between some residences that extend up to the golf course; that is the area in which the CDD is permitted to work, so if any of these improvements within the CDD easement need to be addressed that is well within the CDD's jurisdiction. But, if work will extend outside those easements into the golf course, the CDD needs to collaborate and coordinate the work with the golf course. It must be determined if it is a CDD responsibility, as CDD funds can only be spent on a public purpose.

Mr. McCoskrie stated he submitted questions about CDD responsibilities but did not receive clear answers. It was noted that further research is needed; confirmation of the work to be done and where it is located will allow the determination to be made. Ms. Rinaldi will send the information to Mr. McCoskrie, who will send it to Mr. Knierim.

A Board Member discussed the need for the District Engineer to remain engaged in the project due to the possibility of flooding, questions regarding who designed the system and the berm, potential liability, etc.

Mr. Calamari was asked to be engaged in the project and to perform a formal inspection and documentation including photographs of the elevated structure, the structure damaged by mowers, the area to be excavated, etc. The golf course has the dirt to create the berm.

It was noted that, of the 40 homes in the area, only three specific complaints were received; all might not have issues. Some verbalized an issue with water on the lanai or the pool, but did not send an email.

Discussion ensued regarding the need to document issues and remedies and to inform residents about the roles of the HOA and the CDD, site development and elevation issues, to meet with and inform the HOA of their responsibility to approve site plans and identify and address issues. It was noted that the Developer controls the HOA and the DRC.

Mr. McCoskrie distributed and read the following email he sent to Ms. Kilinski on July 31, 2025: "Good afternoon all, please see the attached and help me reconcile how the CDD is responsible for the inactions of the Developer/HOA in enforcing their own DRC policies. I have personally tried to engage them numerous times over the last two years to address these issues without success. The inaction has cost tens of thousands of dollars already and much more to come from CDD funds. I am ready to start building our legal case against the Developer/HOA with our Engineers documenting the existing damage. Conservation areas, drainage structures overrun by washed out building pads, stormwater drains taking in building pads, runoff creating dirt peninsulas in our ponds, swales/berms not being constructed as per plan, causing lots to flood, and our Management Company documenting funds already spent. Jennifer, please let me know your suggestions on the best paths forward."

Mr. Pakan stated Page 4 of the DRC Manual states "The Developer shall have exclusive jurisdiction to the DRC over all new construction and modifications to completed homes within the community as responsibilities are turned over to the Association as provided in the Declarations."

Ms. Bloomquist believes another factor is when Builders provide a quote to build a home, the contractor advises that three loads of dirt are needed, at a cost of \$30,000 to \$40,000, and the prospective homeowner refuses to pay that. When the home is built, the property owner has certain responsibility. It was noted that a release should have been obtained; the DRC has the responsibility for approval of Site Plans and if not built according to the Site Plan, there should be a waiver of liability as a result of noncompliance.

Mr. McCoskrie stated the CDD Board is not privy to conversations between the homeowner and the contractor. He believes that contractors can also fail to look at the Grading

Plan, which can result in failure to build swales, etc. When he told the Developer, the Developer stated the City issued the Certificate of Occupancy (CO) so the City is responsible for grading failures, etc. He thinks the end result is failure to check the lot grading plans and the drainage. The manual states that the HOA is responsible for monitoring this, and the CDD has no enforcement power, yet the CDD is responsible for the results of these failures because the building pads end up in the storm drains, peninsulas develop in the CDD ponds, and washouts occur where the pads washed out for the third time. He stated he will not vote to fix that, as he believes the Developer should fix it because the pads washed into the CDD for the third time; the CDD should not have to fix it because the Developer is not doing their job. The Memo documents that the CDD gets stuck fixing problems caused by the failures of others.

Discussion ensued regarding language allowing for use of public funds in emergencies.

Ms. Rinaldi stated the law states that there can be a small or ancillary benefit to private property so long as the primary purpose for public funds is a public benefit. That determination can be made by the CDD Board; the CDD would rely on the District Engineer to determine if it is CDD infrastructure or improvements. If it is partially and the primary purpose is a public benefit and public improvement, then funds can have a small private benefit and can be appropriate in this case so long as the Board is comfortable making that finding.

Mr. McCoskrie thinks a \$10,000 cost share in this project is reasonable. He noted that #14 and #15 represent one of the most critical areas on the downside; there are no homeowners on #11 and #12 on the low side of the ridge. In considering the map, there were no homeowners on #10. He observed some on #6 and #7, but they are so far down on #7 on that corner; #14 and #15 are the most substantial areas and there are no other big areas like this.

Discussion ensued regarding funding repairs with public funds, remedying inequities with golf course and pond assessments, and the need to remedy drainage issues.

Mr. McCoskrie thinks that, if nothing is done and houses start to flood, lawsuits could occur, given the contention that the drains in the buffer areas between the fairways and the homeowners' lots are part of the stormwater management system. He noted that, on #11 and #12, there are homes that drain into the golf course, and areas where the golf course drains into homes.

Ms. Bloomquist recommended scheduling a workshop to consider the issues and develop a plan. Mr. McCoskrie stated the HOA and the Developer's position is that the City issues the CO, so it should be taken up with the City. He thinks the Developer and HOA are essentially the same; the HOA speaks for the Developer.

Ms. Bloomquist suggested the workshop include the HOA, CDD and Hampton Golf. She expressed the need to deal with these issues. Mr. McCoskrie agreed. Mr. Pakan suggested a legal letter stating that most of the water intrusion problems, in our opinion, result from poor Site Development due to the HOA's lack of an approval process. Ms. Bloomquist noted that, from a liability standpoint, the CDD is concerned for future issues that may arise that would cite all entities that could be held liable. Mr. Pakan believes the HOA should be informed that the CDD is not responsible for Site Approval processes and that, according to their documents, the HOA is and that the CDD is willing to try and help resolve the issues.

Ms. Rinaldi stated for instances where there is impact to the CDD's stormwater system, the CDD's response is to identify the party and seek reimbursement. The CDD can provide notice to the HOA and the Developer that there are issues to CDD infrastructure due to activities on private lots, but it will be a coordinated effort from those parties. Unfortunately, the CDD's main response is seeking reimbursement for having to repair CDD property.

Mr. McCoskrie recommended seeking reimbursement for #16, where the building pads flooded into the riprap and the whole drain is clogged at the corner. He believes Mr. Knierim will look for the CDD to do that as a conservation easement, to which he would state that the building pads are the issue. He asked Ms. Rinaldi to relay the conversation to Ms. Kilinski and to ask Ms. Kilinski to provide a thoughtful response.

Mr. McCoskrie stated he would like to have \$10,000 approved for the #14 and #15 fairway project. Ms. Bloomquist voiced her support, as long as it is documented. Mr. Pakan suggested modifying the motion to indicate a one-time \$10,000 distribution and letting them determine the best way, with CDD input, to fix the problem. Ms. Rinaldi noted the need to ensure that an Agreement is in place for anything the CDD is contributing to, and to ensure that the CDD and its property is protected if any of this work is occurring on the CDD's easement.

It was noted that some berms are in an easement, and some are on private property.

Discussion ensued regarding the likelihood that the 16" drains will overflow and potentially cause geysers, gutters, creation of the berm, etc.

On MOTION by Mr. McCoskrie and seconded by Mr. Tomashosky, with all in favor, a one-time \$10,000 contribution of CDD funds in connection with the golf course to construct berms and swales and the associated sodding of those berms and swales along fairways #14 and #15, with the Engineer's input, drawings and documentation, was approved.

NINTH ORDER OF BUSINESS

Discussion: Builder Pads Washing Out into the Streets, Storm Drains and Conservation Areas

This item was discussed during the Eighth Order of Business.

TENTH ORDER OF BUSINESS

Consideration of Special Districts Performance Measures and Standards Reporting FY2026

- **Authorization of Chair to Approve Findings Related to 2025 Special Districts Performance Measures and Standards Reporting**

Mr. Adams presented the Performance Measures and Standards Reporting for Fiscal Year 2026 and noted that the Chair needs to be authorized to approve the Fiscal Year 2025 Goals and Objectives Report.

On MOTION by Mr. McCoskrie and seconded by Mr. Tomashosky, with all in favor, the Special Districts Performance Measures and Standards Reporting for Fiscal Year 2026 and authorizing the Chair to approve the findings related to the 2025 Special Districts Performance Measures and Standards Reporting, and authorizing the Chair to execute the Report for submittal, were approved.

ELEVENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of June 30, 2025

Mr. McCoskrie stated a letter was received from the Joint Legislative Audit Committee, to which a response was required, regarding audit findings. For the past several years the Developer

has not paid the A-2 fees. Mr. Pakan will highlight the amounts due; he stated that he has not seen a response and indicated that the Board was told for years that the CDD is not involved in the Debt Service payments, as they are between the bondholders and the Trustee. The financials reflect that the Developer owes \$540,000 for past debt service payments that were not made. The CDD was cited for audit deficiency.

Mr. Adams stated an updated Amortization Schedule showing the amounts owed by each property was recently provided to the bondholders; nothing has been heard since.

Mr. McCoskrie recalled that the Amortization Schedule was never adjusted to account for 48 escheated lots; the Debt Service Account continued to be drafted for payments that do not agree with the CDD's Amortization Schedule.

Mr. Adams stated that the Controller drafted a response and submitted it to Ms. Kilinski for review. The response will be shared with the bondholders and their Counsel, who had shared that he believed there was a legal opinion regarding the handling of outstanding principal; however, he never provided that legal opinion.

Mr. Pakan stated he would like a call placed to the Trustee or to Bond Counsel to discuss how to settle the issue of the A1 bonds. He made the following points:

1. Since the first option did not work with respect to assessing versus not assessing, this is his second proposal. The CDD would then agree that the debt on the escheated lots remains constant.
2. The Trustee agrees to rely solely on the funds from the Trust Estate to amortize outstanding debt to maturity.
3. The Amortization Schedule does not need to be "trued up" for escheated lots. All shortfalls can be covered by funds in the Trust Estate, including reserves.
4. The Trustee bondholders agree to waive reserve funding requirement levels since the reserves will cover shortfalls and be reduced to maturity.
5. Trustee and bondholders agree to indemnify the District for any adverse actions resulting from Unamortized Bonds at maturity, should that occur.

1:29 Mr. Pakan believes it important to remind the bondholders that they were nonresponsive. Mr. Adams will share the communication with the Board.

Mr. Pakan presented the Unaudited Financial Statements as of June 30, 2025. He asked if the A1 Reserve funds will be replenished. Mr. Adams stated the funds are transmitted to the Trustee, and the Trustee places in whichever account they deem appropriate. Mr. Pakan noted that \$187,511 is inadequate; the bond documents require A1 Reserve funds of over \$300,000. Mr. Pakan asked if more funds will be deposited in the investment account. Mr. Adams stated that \$100,000 will be moved into the investment account; the interest rate was 3.66%. Mr. Pakan asked about the amount "Due from Southern Hills III". Mr. Adams will research it.

On MOTION by Mr. McCoskrie and seconded by Mr. Pakan, with all in favor, the Unaudited Financial Statements as of June 30, 2025, were accepted.

TWELFTH ORDER OF BUSINESS**Approval of July 14, 2025 Regular Meeting Minutes**

The following changes were made:

Line 42: Change "pool" to "pond"

Line 59: Add "with" after "load and"

Line 72: Change "A Board Member" to "Mr. Pakan"

Lines 155: Change "room" to "a transformer"

Mr. McCoskrie stated the Kennedy Electric work was completed.

Line 169: Change "16 and 12l" to "14 and 15"

Line 169: Change "Lots" to "Block"

Line 170: Insert ", 37 and 38" after "35"

On MOTION by Mr. McCoskrie and seconded by Mr. Pakan, with all in favor, the July 14, 2025 Regular Meeting Minutes, as amended, were approved.

THIRTEENTH ORDER OF BUSINESS**Other Business**

There was no other business.

FOURTEENTH ORDER OF BUSINESS**Public Comments (non-agenda items)**

No members of the public spoke.

FIFTEENTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: Kilinski|Van Wyk PLLC**

Ms. Rinaldi stated that a Request for Mediation was received from Counsel regarding the Westin matter. Counsel advised that they are setting it for September; she provided a copy of the letter that was sent in May advising of the CDD's position. District Management is handling an associated public records request. Nothing additional has been heard from the HOA; the CDD will not participate in that mediation.

B. District Engineer: Coastal Engineering Associates, Inc.

There was no District Engineer report.

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

- **NEXT MEETING DATE: September 8, 2025 at 10:00 AM**
 - **QUORUM CHECK**

SIXTEENTH ORDER OF BUSINESS**Supervisors' Requests**

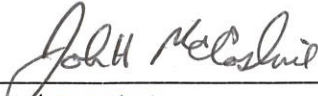
There were no Supervisors' requests.

SEVENTEENTH ORDER OF BUSINESS**Adjournment**

On MOTION by Mr. McCoskrie and seconded by Mr. Pakan, with all in favor, the meeting adjourned at 11:38 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/~~Assistant Secretary~~


Chair/~~Vice Chair~~