

MINUTES OF MEETING
MIDDLE VILLAGE COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Middle Village Community Development District was held on Monday, December 13, 2021 at 2:00 p.m. at the Plantation Oaks Amenity Center, 845 Oakleaf Plantation Parkway, Orange Park, Florida 32065.

Present and constituting a quorum were:

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| Michael Steiner | Chairman |
| Rod Swartz | Vice Chairman |
| Tim Hartigan | Supervisor |
| Jason Mifsud | Supervisor |
| Jeremy Spellman | Supervisor |

Also present were:

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| Marilee Giles | District Manager |
| Mike Eckert | District Counsel |
| Jay Soriano | Operations Manager |
| Chalon Suchsland | VerdeGo Landscape |
| Crys Grizzle | S3 Security |
| Rhonda Mossing | MBS Capital Markets (by phone) |
| Bob Gang | Greenberg Traurig (by phone) |
| Wanda McReynolds | GMS |

FIRST ORDER OF BUSINESS

Call to Order

Ms. Giles called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Financing Matters

A. Discussion with MBS Capital Markets on Refunding of Bonds

Ms. Mossing stated at the direction of the Board we did pursue the refunding of the District's Series 2018-1 Bonds for a lower interest rate. Those bonds are currently held by Hancock Whitney Bank. The most cost-efficient refunding to generate the least amount of cost of issuance was to go back to Hancock Whitney and renegotiate the interest rate. They've provided us with a term sheet dated November 22, 2021 for the refinancing of the District's

bonds and it has been reviewed by Mike Eckert and Bob Gang so they can speak to any of the questions that you might have with regard to the term sheet after I'm done with the presentation. Basically, the only two changes from the bonds outstanding today and what Hancock Whitney Bank is proposing is to lower the interest rate from a current average coupon of 4.16% to an average coupon of 2.715%. There will be no change in the maturity date, and the only other change in the term sheet was to lower the debt service reserve fund from 50% of maximum annual debt service down to 10% and that frees up funds to allow the District to pay for its cost of issuance without increasing the amount of debt outstanding and to also use some of those proceeds to pay down the outstanding debt. We put together a presentation for the Board and I think everybody now has a copy of that. The first part of the presentation summarizes the bonds outstanding today and the Series 2018-1 Bonds are the ones held by Hancock Whitney currently that we're looking to refund. The Series 2018-2 Bonds are not callable until May 1, 2028. That is the lower amount that is only outstanding in the amount of \$2.37 million out of the total \$21.3 million that is outstanding, so you're refunding the bulk of the bonds outstanding at a much lower rate. Following slide five of the presentation is an overview for any supervisors who need to be refreshed on the bonds and how we came to be where we are today starting with the 2004A Bonds and the par amount of those bond and what those bonds are used for and the \$39 million project back in 2004. They were originally issued with coupons of 5.86% and they were refunded in 2018, along with the 2008 bonds, which were issued to fund project costs for another \$2.3 million. The average coupon of those bonds range between 6.75-6.875%. That was a senior/subordinate issue that was dated 2018 where part of the bonds, the senior portion, were purchased by the bank. The subordinate portion is the bonds and the debt that related to any undeveloped property that was still in the District at the time and any property still held by developers so it covered the concentration of debt on the undeveloped property. The current average coupon outstanding on those bonds is 4.16% and we're looking at replacing that with debt at the rate of 2.7151. Slide twelve will show you the projected annual reduction in debt service per unit by product type as a result of this refunding, so we're looking for the single-family homes assessment to go down about \$114 per year per unit, and the multi family will reduce about \$75.60 per unit per year. The commercial square foot will go down about \$0.10 per square foot per year. This is a great refunding with great interest rates for the District. They came in right where we expected them to price based upon the current market. For your next step, on

slide 15, what we propose to do is to have the Board approve the term sheet today and authorize the financing team to prepare the documents for closing on the bonds and we would be looking at a preclosing on the bonds on January 10th, with funding of the refunding debt on January 12th. After January 12th, you will have your debt outstanding for the 2018-1 Bonds will now be the 2022 Bonds at the lower interest rate within the term sheet that Hancock provided.

Chairman Steiner stated everything looks pretty good, Rhonda. I was a little confused when I first went over the stuff determining just how big the savings would be there, but it's a good bit. Mr. Eckert, do you have anything to add?

Mr. Eckert stated I don't have anything to add to that. I think when Rhonda does this presentation it adds a lot of value for the Board to be able to walk through the numbers and understand where the savings are. It's a typical refinancing from my standpoint. You really just have the bank who holds the existing bonds who is going to do a lower interest rate so that they can keep the paper, so certainly I've talked to Rhonda Mossing and also Bob Gang who you will hear from in a minute, and I think we're on track to meet the schedule if it's the will of the Board to proceed.

Chairman Steiner asked so I guess we need a motion?

Mr. Eckert responded we will hear from Bob Gang and that resolution will approve the term sheet Rhonda has outlined.

B. Consideration of Resolution 2022-03, Authorizing the Issuance of the Series 2022 Refunding Bonds

Ms. Mossing stated I think the resolution that is in the packet is an older version that Bob sent to you where it says it's authorizing \$18,921,000. Even though we likely will not issue that much, the term sheet we received from the bank is in the amount of \$18,933,000. The current bonds outstanding are \$18,921,000.

Ms. Giles stated so if the Board approves the resolution, we will get it approved in substantial form.

Mr. Gang stated I revised the resolution to reflect the prepayments that had been made.

Ms. Giles stated it looks like the term sheet is correct, but the resolution itself is incorrect.

Ms. Mossing stated just the one change in the first part of the resolution needs to be made where it says not exceeding \$18,921,000.

Mr. Eckert stated we will make that change to \$18,933,000 to mirror the term sheet when we get an execution copy.

Mr. Gang stated you should have a revised version in your email, but I'll check.

Ms. Giles stated I think we do.

Mr. Eckert asked do you have the ability to present the resolution?

Mr. Gang stated I don't have it in front of me, but the resolution approves the term sheet and instructs the professionals to bring back a full set of documents in the delegation/award resolution at the January meeting, after which preclosing will occur immediately. The funding will take place on January 12th. The subordinate bonds will remain outstanding indefinitely until their call date.

Mr. Eckert stated in Section 2 you're making certain findings that a negotiated sale of the bonds is a preferable way to go about this, and then there are various reasons listed there. I will tell you every CDD bond deal I've ever been involved with was always a negotiated sale just because of the unique nature of CDDs and the security that is associated with that and for the other reasons in the resolution. The only other thing on the term sheet that I think the Board needs to be aware of is there is a provision in there that says the bonds are not callable so you have about 13 years left on your bonds and if it's not callable, that means the interest rate you're agreeing to now will be your interest rate through the life of the bonds. Obviously, people can pay off their individual assessments and then that goes towards the bonds, but if they're not callable for 13 years, then you are not able to do another refinancing. However, typically there is a call period of at least 10 years so you're only really looking at maybe a limitation on the last three years and there probably is not going to be an opportunity for refinancing anywhere in the last three years of the bonds. I don't think it's a big deal from what I've seen, but I wanted you all to be aware of that because if somebody asks later on why the District can't refinance, it's because of this deal right now that has that call protection.

Mr. Swartz stated the odds of getting rates below 2.75% are slim to none.

Mr. Eckert stated I'm not recommending you not proceed. We would be looking for a motion to adopt Resolution 2022-03 with the change of the amount for the not to exceed to be \$18,933,000.

On MOTION by Vice Chairman Swartz seconded by Chairman Steiner with all in favor Resolution 2022-03, authorizing the issuance of Series 2022 refunding bonds was approved.

FOURTH ORDER OF BUSINESS Approval of Consent Agenda

- A. Approval of the Minutes of the November 8, 2021 Meeting**
- B. Financial Statements**
- C. Assessment Receipt Schedule**
- D. Check Register**

Ms. Giles stated included in your package are the minutes of the last meeting and the financial statements as of October 31st. The assessment receipts schedule that is in the packet shows 0% collected and today I was able to get a current one that shows assessment receipts are 88% collected. The check register totals \$16,469.94.

Mr. Eckert stated I just have one comment on the minutes. I did ask that your manager going forward identify the Chairman and Vice Chairman when they speak by those titles, simply because in litigation I've been in before where we have big blowup pictures of the minutes, the more formality we have in front of the judge or jury, the better off we are.

On MOTION by Chairman Steiner seconded by Mr. Spellman with all in favor the consent agenda was approved.

FIFTH ORDER OF BUSINESS Staff Reports

- A. District Counsel**

There being nothing to report, the next item followed.

- B. District Engineer**

Ms. Giles stated if we don't have anything on the agenda, we do not ask the engineer to join the meeting, so Peter is not on the call today.

- C. District Manager**

There being nothing to report, the next item followed.

- D. Operations Manager – Memorandum**

Mr. Soriano stated we just had a couple of our community events. There was a big turnout for the Turkey Trot. There were about 70 families so this was one of the best events we've had. This is held at your sister district. We didn't do one on your side this year just because I took

advantage of some new areas we've developed over there. We have a nature walking trail that is about three-quarters of a mile. We repurposed an area where people tend to walk and build trails back in our natural area anyway and vandalize culverts and things like that, so we figured we would dress the area up and hopefully take care of some of those issues. It's turned out really well, so we used it for this virtual Turkey Trot. If you remember last year we started this with the pandemic. They had turkeys they had to hunt and take pictures of and send them to us and everybody really got on board this year and loved it. It was nice being off the road too. We hung the turkeys up in the trees, so it was really fun for them to go out looking for them. We are done with our movies on the green as of last month. It just gets a little too cold in the winter. We did try a Christmas movie last year and we only had one family. We will get to those movies end of February or beginning of March depending on weather. Then of course we have our Polar Plunge the last week of January or beginning of February. I try to pick out the coldest time that we can do a Polar Plunge.

We're averaging a little less than a \$1,000 a week for those pools so looking at the plans we made of shutting down in January or February rather than us saying we're open year-round. Hopefully that will keep us in the \$15,000-\$20,000 range for gas compared to some of the years past and we're not spending a lot of money on the handful of people that utilize it.

Vice Chairman Swartz asked how is our usage during the Christmas and New Year holidays?

Mr. Soriano responded the holidays are the best time, and it's also when we have problems because everybody is off so that's when we have the families that walk past the sign that says you have to be 18 years or older and they bring in the little guys to swim because it is a heated pool so it's the week of Thanksgiving and the week they're off for Christmas that tends to be the busiest. The rest of the time, not so much. This year we've probably averaged about three or four people that actually utilize it.

Mr. Soriano continued with his report. We're still a little slow with our rentals, but we have picked up. We're not even through December, but we've already doubled this month. We have had two weddings the last couple of weekends. We are back to 100% capacity in this room, so that's what I'm looking for is to increase those numbers and get back to where we were a couple of years ago where we had this booked out every single weekend and we had events

during the week here and there, which brought in a little revenue for the District. We're nowhere near that yet.

On the operations and maintenance side I've got a couple of updates for you. The promenade we wanted to go through a couple of clarifications with you. I have gone through a little more work up there to get some more lights up, but one of the areas in particular I wanted to talk about was a separation that we need to clarify. If you've been back on that promenade, we have our lights and we've always dealt with issues with lights, but even more this last year because of that developer that ripped a whole line out of the ground and did a shabby job of putting the light posts back in. If you've been down to the gazebos, you'll notice there are a few landings that allow access down to the promenade from private property; Preserves, Cambridge and Briar Oaks. There will also be that access by sidewalk from the new development onto our property. Those areas with those landings, two of them have gazebos and the way I always understood it is that was a builder decision. Cambridge has a landing, but no gazebo. My concern here is they also have power that is hooked to our electricity, so through the issues that we've been dealing with this summer and trying to hunt out some of these shorts and damaged areas, we've found they are hooked to our timers. So, their lights on their property, the security lights on those gazebos and any outlets they have to plug in devices, they get power from our area. The Preserve particularly is out and to repair that area I have a couple of options. We can do a lot of work and get them back up and running, or we can cut that line and let them deal with their own electricity. That will also allow us to get back to fixing our line a little easier. That's what I wanted to clarify with you guys what we want to do. I think the Chairman may have talked to that board.

Chairman Steiner stated the current association board changes this month, but in talking with the members of the board that have a high probability of being back in place in January, I explained to them that those two communities with the gazebos are the only communities that we really provide electricity for and in our particular case because of the work that Jay has to do to even isolate us from the thing, would be a good opportunity for us to go ahead and break that handshake agreement, or however it was done, and put the power back in the hands of the community. It gives us a lot of flexibility with not having to deal with the timer and the issues that run through being connected in that big of a circuit. The other thing is it reduces the community's liability for causing any damage to the CDD equipment and the promenade

lighting. They're in agreement. They feel it's the way it needs to be done so let's go ahead and do it. Because this was not a well-documented agreement, a lot of times every time we have a light change or we go to daylight savings time or whatever, we're having issues with the lights at the gazebo. I would recommend or have the board consider approving we go one step further. Briar Oaks currently is not out of commission. They also have a different electrical connection down at that end. The Preserves will be fairly easy. We run basically from here to the wall to get to some house power that is used to turn on our security lights for the building, so to gain access to power is fairly easy for the Preserve. It may be a little bit more difficult for Briar Oaks. Discussing this with Jay, it may be good to give them six months or twelve months to look at isolating theirs also and that way we will be clean, and we don't have to worry about cost sharing, or the additional liability if something happens in our circuit and blows them out or something. I know with the Preserves if lights go out or anything like that happens in that area, the Preserves went ahead and replaced the lights and maintenance them, but they would no longer have free power, so if the Board agrees, I'd like to have Jay move forward with presenting this to Briar Oaks and also to formalize an agreement with the Preserves to isolate them.

Mr. Hartigan asked does Briar Oaks know they're connected to our power?

Mr. Soriano responded I'm not sure they do. Until we started going through this, most of us didn't realize that and we will find areas like that over the years. We've had that with irrigation and electricity in the past mostly because the developers all worked together back when we were first building this. I think it was last month or the month before we were talking about the clock tower. We have some of those odd areas where we don't really have a written agreement, but we do have some of those understandings of what we take care of and what they take care of. Years ago for the promenade we talked about where our property line is and taking care of the brick wall, but at that time we didn't know much about the electricity, or at least there weren't problems so we didn't bring it up. This may be the first Briar Oaks hears about it and that's why we were talking about giving them some time because they might have to do more work, where with the Preserves there is a building a few feet away from where their electricity ties into so they won't have to do a lot. Briar Oaks does not have any shared buildings. The condos are different than the townhomes, so they may have to install something themselves.

Mr. Hartigan stated I agree with Mike on separating with the Preserves. With Briar Oaks I'd like to give them notice and a reduction from twelve months to six. Between January and

June is plenty of time to make the proper decisions and get an electrician out there to make the switchover.

Mr. Soriano stated we will do whatever we can to help out both because I don't want them just tearing into our wires, so we're going to be there to help out and make sure they get us capped off correctly for ours, but that will also allow me to get more of those lights up because they're hooked to those zones.

Mr. Spellman stated I agree. I think setting a deadline for that switchover is a good thing to have.

On MOTION by Mr. Hartigan seconded by Mr. Spellman with all in favor staff working with Briar Oaks and the Preserves to separate the communities from the District's electrical system within the next six months was approved.

Mr. Soriano stated I will speak to them and once The Preserves has their new board, I will clarify with them and make sure everything is done and then come back to you guys.

Mr. Soriano continued with his report. The only other item on the operations side is pickleball, basketball and possible changes in our amenities here. I got a quote in for the fencing. I've given you guys my ideas of costs if we purchase the supplies directly and then I have somebody come out. It was a big range of \$150,000 to \$250,000. Armstrong Fence Company gave me their official quote. They did the high school too so if you get a chance to go up there and see it, that is the same fencing I am looking at. It's \$152,900 to wrap this facility with them doing the install. I was on the low end, and it would be lower if we purchased directly, but at the same time I have to have another company come in and do the work because that is a large fencing line. Setting that aside, the one thing I asked from you guys was to take the time to think about what we want to do, because I have one issue and that is the changeover from basketball to pickleball and whether we truly want to do it or not. If that is truly something we want to move forward with, we can keep talking about it, or we can say no, we're going to keep basketball. The main reason I'm asking for this is Double Branch has a meeting after you guys. They've been talking to pickleball much longer than when it was brought up here. I'd like to be able to give them an idea of whether they have to go back to the drawing board and spend money to do

it over there, which they were ready to do, so it's not a problem either way, but I do want to be able to give them notice that says it's going to be on them.

Mr. Spellman stated I was here last month, so I understand the whole perimeter of the fencing. I spent some time at the basketball courts over the last month. The security guard that was there had it all under control. Everybody understood the rules about checking in and showing IDs. What would be the plan for the fencing that is there, because it is lifted and dilapidated?

Mr. Soriano responded even if we don't move forward with redoing all of the fencing, I am going to have to repair what is out there because we don't want it looking like that for years. We've done basic repairs to keep it up there, but I wasn't going to replace that fencing if we were going to wrap with the big fence because if we do keep that and want to repair that fencing out there, I want to do what we did at Double Branch and go to the 10-foot height.

Mr. Spellman asked would we keep it chain link?

Mr. Soriano responded I would keep it chain link for that. The cost is a little bit lower, especially for a ten-foot height. What I'm talking about surrounding this property with is only seven feet. Every foot we go above that gets very expensive. I also got a quote for brick columns. The gate is severely damaged from people trying to break the magnets to get in. If I put a reader on there it's broken within a week or two and those readers cost about \$800 every time we replace those. What we've gone to now is when that security guard is off for the night, they chain lock that thing and that's why they try to pull up the fence. We try to shut it down completely so they're not trying to break in. They're still going to damage stuff. If I put a brick column there that kind of matches what we did at Double Branch, I can run conduit through that for those readers and they will last a lot longer because they're mounted into it and I can run conduit for cameras and things like that. Those columns are a little costly. We're going to spend \$10,000 or so and that would be separate. We're still going to spend quite a few thousand to improve that area to make sure it looks good, even if we keep the basketball courts. The thought is what do we do. Do we keep moving forward with pickleball, or basketball, because then we have to talk about each one of those things separately. I have money for improvements we have to make that are planned into our budget anyway like repairing fencing and painting of surfaces. A \$152,000 fence is not included in our budget, however that would take care of a lot of other problems.

Vice Chairman Swartz asked what about our discussion we had about another alternative of having pickleball adjacent to the tennis courts? The spot that you and I looked at back there

is going to add about \$30,000 just to prep the ground. We can get one court in there, but I don't know that it's a good idea to spend upwards of \$100,000 and \$30,000 just to raise the ground up. Those tennis courts are higher, so we'd have to raise that area up too, we'd have to compact it just to give us enough space for one court. What we're talking about there is a lot more. You're talking six to eight courts down there on two basketball courts, or if they do it over in Double Branch, the plan was for six courts. If we look at someplace else, the big lawn behind here that has the amphitheater section, if we take that out, we can do a full set of courts there. That's still going to come close to some of these numbers we've seen.

Vice Chairman asked for pickleball or basketball courts?

Mr. Soriano responded if you were going to build new courts, I would go with pickleball. I have a couple problems there. We still have all those problems we've been dealing with, we still want to wrap a fence, and I still have repairs. We do a lot better with basketball now than we have in the past. I don't want to say that we have the same problems that started off years ago, the fights and the true safety issues. It doesn't mean I think it's completely safe and I'd be ready to pull a security guard off that without having some other controls like fencing. A fence isn't going to stop everything, but I think it will help control it a little bit to where we could start to look at pulling those security guards off.

Chairman Steiner stated if we convert the existing basketball courts to pickleball, it will not remove the desire to wrap a large fence. That has been proposed to this board several times over many years and it was based on the results they have over in Phase 1. With where they were able to wrap and control things over there and put a centralized entrance gave a lot of advantages that we don't have over here. Jay has mentioned it before. I know the project engineer has looked into what it would take to do some of this stuff, but I don't want it confused with the fact that if we were to convert the courts out here to pickleball to resolve the issue with basketball, that would remove the guard, but it is not going to remove that long-term goal of finding a way to get the whole area secure. Also, with Double Branch right now, the existing tennis courts are used by far less people than our basketball courts. They have two tennis courts.

Vice Chairman asked don't they have six?

Mr. Soriano responded they have four. They wouldn't lose their tennis courts completely. They would have two left and two that will get dedicated just to pickleball. So, unlike here, we

would be taking away from tennis, but we wouldn't be taking completely away from tennis. Here the only way to do it is you'd have to take completely away from basketball.

Chairman Steiner stated and impacting a lot more people.

Mr. Hartigan stated so convert the basketball courts to a ten-foot-high fence and doing your two pillars with a new card reader and it has to be resurfaced, correct?

Mr. Soriano responded the resurfacing is part of our normal maintenance anyway, so we have that in our capital budget every few years. If we were going to change to the pickleball court, since I have to paint lines and do all that it would be included in that.

Mr. Hartigan stated so for a ten-foot fence, the two columns and the reader, it's going to cost how much?

Mr. Soriano responded the columns are the bigger cost. The fence, we just increased Double Branch's to a ten-foot-high fence and changed the material so it's plastic-coated so it's hard for them to bend. The stuff on the other three sides is thinner so they're able to bend that wire easier. It's the thick coated stuff that makes it more expensive. What we did at Double Branch was just three sides because their other side leads to tennis and that was about \$10,000. This side would be a little bit above that, maybe \$2,000-\$3,000 more. The only good thing I've been able to do, even with Double Branch, is I reused all of that material. We cut that eight-foot fencing in half, and we were able to reuse that to wrap the dog park so I didn't have to spend the money for that amenity. I did have to spend money on wood, which tripled in price during the pandemic, but the other fencing I didn't.

Mr. Spellman stated I'm glad you brought up the history, because that helps a lot. In my mind I was almost trying to find a way to have the perimeter fencing or the security added to the basketball courts.

Vice Chairman Swartz asked the perimeter fencing has been brought up how many times? Three times in the last twelve years. Over there it was simple. We build a new building, and the fencing was mostly there, it was just connecting a few things into the doorway. It wasn't like here where we're trying to connect three times the space.

Mr. Spellman stated I know Jay has also mentioned it could be done incrementally around the area where the pools are, there's already something there.

Vice Chairman Swartz stated that has been a goal for a while because when we're talking about history, the pool has been broken into many times. People have poured Dawn dishwashing

liquid down the slides, ruining the slides overnight. We had big fences there and fences don't stop people from getting in always.

Mr. Hartigan asked if we were to choose the option to convert the basketball court to pickleball it would cost us approximately how much?

Mr. Soriano responded I had estimated \$30,000 to \$40,000 for the two tennis courts over at Double Branch and it would be about the same here. You have a little bit more surface, so I may need more paint and sand. That's the surface that makes that. The difference here is that fencing would be a lot less work. The Double Branch tennis courts come in and in between they have a little separation by making a V, and it contains each tennis court. Even though you can walk in between, that little V almost separates them out. That is going to have to come out, so I have to pull that out of the asphalt, patch the asphalt, prepare the ground, repaint, bring the fence back and make it straight. That was included in the pricing I gave and you wouldn't have to do that here, so I have a lot less labor and a lot less issues. Let's say you wanted to wrap this place eventually, for now that fence could have come down. I don't see people breaking in to play pickleball.

Mr. Hartigan asked so in the long run, to convert to keep our existing basketball court the way that it is, it's going to cost us \$26,000 plus the security guard at \$60,000 per year for annual total of \$86,000 and an ongoing \$60,000. If we convert to pickleball, it's only going to cost us \$40,000, saving us at least \$60,000 annually to where if we wanted to go ahead and do the entire park at \$153,000, we could do it in three years easily by the amount that we're saving on the security guards. Right now, to put pickleball anywhere else on the property is just too cost prohibitive. Even if we spend the \$86,000, there is no guarantee we won't have to repair the basketball courts again unfortunately. From a resident's standpoint and also dollars and cents, it's almost as though we're just going to keep pouring money into the basketball courts. I hate to see it go, but there are other places within Oakleaf that you can play basketball. It's been said Phase 1 has it, but Phase 2 doesn't. An example would be soccer. There is soccer in Phase 1 and we don't have soccer in Phase 2. We're known more for our tennis over here than we are for anything else. From a financial standpoint, I would seriously consider the conversion. One of my other things is over the last three months we've spent \$15,000 in security while we've been discussing this. We've had members from the pickleball group here for the last three meetings. We've had nobody from the community supporting basketball.

Mr. Soriano stated I can tell you that's going to be the hardest part of your decision. I see the top end being the dollar signs. We save a lot of money. You're right, they won't show up until we take them away, but when we take them away, there could easily be 50 to 100 basketball players in here. That sounds like a lot because normally this is what we have. Everything runs pretty smooth. You're not going to get a lot of complaints until then. That's a lot of people to sit there and yell at you. That's a big difference when we're taking something like that completely away. You would have to be prepared for that. That is a lot of money saved and that's the whole reason we started even considering this, because it can be done over at Double Branch. That was the original request over there. It came about over here because some of them play tennis too and we joked about doing something else about the basketball courts in the past. We even talked about just getting rid of them, but we've always decided we want to keep it and just spend more money. Do we spend that money just to keep it, or do we get rid of it and think that's going to solve all the problems? It won't, but it's going to help. It's the same way with the fence. The fence won't solve a lot, but it will help. Even when we do pickleball, Mr. Steiner is right, that is a nice control. That fencing does help out with this whole area. We talked about the pool and that would help out with the pool because we see who is coming through and I know right where they're going because they would have to check in downstairs just like over at Double Branch. We had a problem this last week with our resident homeless guy that had been in the neighborhood for years. He was caught here again, and he hid from our security guards. He got locked in the bathrooms, so my girls opening up at 6:00 confronted him. We had Clay County Sheriff's out here, and they said they can't do anything to him because his two year citation was up so they have to give him a new citation. We've had those issues before. That solves other problems too, so it is a control. We could do it down the road. I don't see that \$150,000 being a bad choice. It really is just do we want to look at that savings now and deal with all of the complainers?

Mr. Hartigan stated even with that, I can still plan in the future to install these things long-term just with the savings by removing just the one security guard.

Mr. Spellman stated I see people at the basketball courts all the time. Do we have a count of how many people utilize those each day?

Mr. Soriano responded we do. The problem would be pulling who is actually supposed to be there. A good amount are guests. Almost every day, half of what you're going to find out

there are guests. It's one of the few places that does get used for guests a lot more. My biggest problem is whether the guests are supposed to be there or not because they're not checking in so there's no way of keeping control of the guests. Sometimes they just come up and want to play basketball and somebody says they'll sign them in.

Mr. Spellman stated I understand the whole point of the savings and it makes sense. I'm trying to think of the future and be devil's advocate and say if you have 20 or 40 people who can't use the basketball courts, then for the next so many months until it wears off, it's going to be rough. Where do those 40 people go and what do they do if they can't play basketball?

Mr. Hartigan stated Phase 1 has basketball courts and it's a controlled environment. They're able to keep the people more restricted as far as who is actually a resident and who is supposed to be a guest.

Mr. Spellman stated if they're younger and can't drive and don't have transportation. Just trying to think of things.

Vice Chairman Swartz stated my kids play soccer and they have to get across that bridge too.

Mr. Spellman stated we can't plan for everything, I get that.

Vice Chairman Swartz stated you're going to travel. It's a big community. I moved from Phase 1 to Phase 2, and it blew my mind that it takes me seven minutes to drive from my old house to my new house. It doesn't seem like it's that big of a place when you're here, but it is.

Mr. Mifsud asked if you fenced the entire area, what would you do for the fencing of the basketball court? You wouldn't take down the fencing if you were fencing the whole area?

Mr. Soriano responded I wouldn't worry as much about doing ten-foot fencing and I wouldn't have to worry about the nicer pillars to have control over it, because now your control is at the front of the building so it's the same thing. I'm going to have less costs out there if we keep the basketball courts for rebuilding that fencing if we do the big \$152,000 job out there.

Vice Chairman Swartz stated I see a little bit of an issue though if you have people checking in at the front, they may say they're going to swimming or basketball, but you don't really know where they are.

Mr. Soriano stated you don't, but the thing is, we know they're allowed to be here because they're residents and they've checked their guests in.

Vice Chairman Swartz stated just getting back to how do we know how much usage we're getting in places.

Mr. Soriano stated I'm not saying we get rid of the readers. We do have readers everywhere else that kind of checks usage. People could complain if they have to check in why do they have to use their card and we have heard that before. We used to hear it for the adult pool because nobody wanted to scan their card to go to the bathrooms so that was the original argument for not putting that fence in and we eventually did, but we didn't put a reader on that one to get to the bathroom, so it worked out fine. We could use them. It's really up to you guys as the board. Right now, I can only get good counts on the places I have staff. I can tell you exactly how many people we get in the fitness centers. The other areas it's hit and miss.

Mr. Mifsud stated I was just wondering if doing away with the fences if you were to surround it with the big fence if that would eliminate costs.

Mr. Soriano stated it would, but we wouldn't have to worry about increasing that fencing. I can even take it down if the \$152,000 fence is doing a good job. I wouldn't right away just to see how it works but we could eventually get rid of that and if we can put readers up there, I would suspect if it is taking care of issues, I'm not getting damage the same way so I wouldn't need to build the columns. We could put a reader out there and see if it lasts longer compared to now. With the fencing we would be running conduit, so I can add things like cameras like I mentioned in different areas. Right now, we do have plenty of cameras out here but they're not always where I need them.

Chairman Steiner stated Rod had a question about tracking where people go. Over in Phase 1, they check in and they enter an area where they have full access to any of the pools.

Vice Chairman Swartz stated we have more amenities here than there so that's why I was bringing that up.

Mr. Soriano stated it's really about that big choice. The \$152,000 sounds like a lot for a fence and it is a big number to swallow, but we're still going to be able to take away that security guard eventually so three years later we recoup the costs. It's just hard to think about that originally, we brought this plan about because we could save \$50,000 or \$60,000 and now I have to spend \$150,000 to get to that savings, but we could still do it. We could keep basketball and then you don't have to deal with complaints, we have the ability to put up the fence and it would help out with other problems, or we can make the decision that it is pickleball. We'd have to deal

with those complaints, but they will eventually go away. People will find a way to play. They're either going to play in Phase 1, or all those guests are going to go to Eagle Landing. If you pay \$2 you can walk into Eagle Landing because they're a little more open and they don't have that control. They take their guest payment at the front in cash. We don't do that here and we don't leave it open like that. They have places they can play, but right now it's easy for them to come over here. With that control you can still check your guests in, but what is going to happen is those kids that check their guests in every day are eventually going to run out and they're going to pay for guests just like the rest of us at the pool do. The only way we can do that is if we can track them coming in, so it will help out with a lot of problems.

Vice Chairman Swartz stated Tim brought up that we're known for racket sports over here. I've never played this game. It sounds like table tennis but on a full scale. Mr. Steiner's point is valid. We've got how many courts over here total?

Mr. Soriano responded there are eight clay courts over here.

Vice Chairman Swartz stated they will be left with two tennis courts if they convert two, correct?

Mr. Soriano responded right. To add on to that because I've talked to pickleball about this and it goes back to Double Branch and they kind of start over because they started this six months ago when they first heard from pickleball. What we work out is if they spent that money and converted two of the courts, they have these nice, dedicated courts so there are six of them now just for pickleball. I'm going to leave the other two tennis courts with the temporary pickleball lines, so they will have ten courts over there so they will be happy either way.

Vice Chairman Swartz stated that's kind of what I'm thinking. This becomes the tennis center and that could be the pickleball center. Oakleaf is known as a total sports package.

Mr. Soriano stated you don't have to feel like it's stuck on you to make that decision. I think it would save a lot of money and as homeowners, if you see a savings of \$60,000 a year, we can do a lot. Maybe five years from now we could build ten pickleball courts here with that savings, but to do it we would have to kick basketball out and we have to deal with complaints. It's very hard to make that decision, but I do have to give Double Branch and pickleball an idea of what they are doing.

Vice Chairman stated having all of the racket sports in one place isn't really necessary, is it?

Mr. Soriano responded no, it's a neat idea. I thought it was a good thing to point out that this is a well-known racket area. Andy has done a great job of building this program and we have a few hundred tennis players.

Vice Chairman Swartz asked does Andy think it's a good thing for his tennis program to have pickleball here as well?

Mr. Soriano responded he likes the idea. He will be happy either way. He is focused on tennis, but there are a lot of people that play both sports, so he has the pickleball people that still come in and play tennis.

Chairman Steiner stated we are not going to have the room to put in 10 courts out here, we're already talking about we don't have room to put two. Let me make a motion that we're going to maintain the basketball courts.

Mr. Hartigan asked for \$60,000 a year?

Chairman Steiner responded as it currently is right now. That's the motion. If it's seconded and it can be decided, we can put this to an end. If it's not to be kept, we don't have to talk about the conversion. The decision to be made is are we going to keep basketball in Middle Village.

Mr. Soriano stated that's what I need to be able to move forward for your next meeting.

Chairman Steiner stated if we're going to keep basketball, that's going to stipulate that we're not converting over and providing the pickleball court. That doesn't mean we don't look at that solution later on, with adding pickleball here or over on the other side, but it seems to be if we already have ten courts possible on the other side, why do you need to set it up over here with just two courts.

Mr. Hartigan stated looking to convert it to anything. It could be converted to hopscotch, or shuffleboard. It's just a matter of do we want to spend that money annually.

Chairman Steiner stated the only way we're going to get to a decision is there has to be a motion. The motion is we will maintain basketball in Middle Village.

There being no second, the motion died.

Mr. Mifsud asked what do you recommend Jay?

Mr. Soriano responded that one is hard. This is where you guys come in as board members. Normally I will do all the work for you, but you guys are the ones that put your name on those big decisions. There are going to be 50 of those basketball players in here upset because they can't play here without driving over there now and they're talking to you. I'm going to find every

way to make it cheaper and to do a better job and have a good facility out there once we make those decisions, but that is the hard decision you have to get past. Either district can afford it either way.

Vice Chairman Swartz stated let me make a motion that we have the pickleball debate pushed back over to Double Branch and let them handle it.

Mr. Soriano stated that's what Mike was just trying to do.

Vice Chairman Swartz stated he was talking about basketball; I'm rewording it in a way that gets it less political now.

Mr. Soriano asked so to understand the motion, it's just so I can move forward with Double Branch making their decision in the next meeting about taking pickleball back. They've already done work on this anyway. You're not making a decision about basketball; you've left that open?

Vice Chairman Swartz stated yes.

On MOTION by Vice Chairman Swartz seconded by Mr. Mifsud with all in favor not moving forward with pickleball was approved.

Mr. Spellman asked if we did full perimeter fencing, how long would it be before you could lose that extra security guard?

Mr. Soriano responded probably a month or two. I wouldn't want to take them away right away. I would want to see that control and I think a month or so into it, I think we could make that decision because now what you've done if you wrap this place, we not only have that other guard that we pay to be here either way, and if you recall they're asking for more money next year, we also bought them a golf cart. So, we have one here for them that they can ride and if that perimeter fence is doing a good job controlling, that one guard should be able to do a good job of keeping an eye on them and making sure other areas are in control. I wouldn't jump to it right away.

Mr. Spellman stated just to reiterate what we said in the past, the access points from the back part of the park would be or would not be usable during regular business hours?

Mr. Soriano responded I would say unless we're doing a special event where we want people to have access, I would keep it locked down. That gets them used to it. Whether we put

signage up there or not, it becomes confusing if there are hours where it gets locked and others where it doesn't.

Mr. Spellman stated so from the map we had at the last meeting, if you were coming from Creekview or wherever, you'd have to walk.

Mr. Soriano stated if you're talking about that walkway in the woods, they would have to walk around the sidewalk to the front of the building. Same way with the promenade entry. Everyone coming from the Preserves even would have to come back around. We did mention that this would mean an added walkway around to the front of the building if they come from the back.

Mr. Swartz stated if you think about it from a wedding standpoint, it's going to keep people from walking through people's weddings.

Mr. Soriano stated it does help with some things, but we have been really open for years and now it's going to add a little bit of walk if you want to go to the playground.

Vice Chairman Swartz stated folks don't like change, we're all going to have to be aware of that.

Mr. Soriano stated if you guys remember when I changed the fitness center around, I had complaints about the positions of the treadmill.

Vice Chairman Swartz stated when we told people they couldn't bring coolers you would have thought they lost their mind.

Mr. Soriano stated it's going to happen.

Mr. Mifsud asked can you just give a quick recap of what we're talking about for the fencing?

Mr. Soriano responded it's going to attach to the back corner of this building and will go all the way up along the sidewalk to that field house where we have the bathrooms out by the softball fields. The front is where the bathroom entrance is and that will not get wrapped and the main reason for that is we have usage with OSA so they use that for practice and sports. They get a key that unlocks the bathrooms and they're really only unlocked for them. The rest of the time we make all of the residents come here. The fence will touch the back of that building, will wrap around the back of the basketball building, go up towards this lawn right where the amphitheater step seating is, across the sidewalk and straight across the lawn. The reason I like that is because you're still going to have to have two entry points along the sidewalk but then it

encompasses the grass too so if there are families that want to playtime or picnics out on the grass and they have kids at the playground, you have that wrapped and it goes straight over and touches the tennis fence. We will increase the fencing on the front of the pool to stop people from jumping in this way, but that will then wrap everything in fencing. I mentioned it was seven feet, but it is actually eight-foot fencing.

Vice Chairman Swartz asked what else do you need?

Mr. Soriano responded that's it. That's the decision. I'll put pickleball back on Double Branch's plate. As far as what we want to do with the fencing, we can vote on it in January.

Vice Chairman Swartz stated I don't want to live through this a third time. We have a price on it and we've all had a chance to walk the area and know where it's going. If I say I make a motion to move ahead with the fencing, would I get a second? We could have more discussion if you wanted.

Mr. Hartigan stated the question is going to be whether that fencing can be done before May. Our contract gets renegotiated with security.

Vice Chairman Swartz stated that's definitely not going to happen if we wait until January.

Mr. Soriano stated then I would probably ask for a not to exceed so I can work with them to go as fast as possible. A lot of that stuff is determined by supply right now.

Vice Chairman Swartz stated I would make a motion for an amount not to exceed \$175,000 to allow Jay to begin the process of fencing in the Middle Village amenity center.

Mr. Hartigan stated it puts us at about \$205,000 or \$210,000 overall because we still have to pay for a security guard too.

Vice Chairman Swartz stated that is already being paid for.

Mr. Soriano stated yes, security is budgeted. There are items I have to look at this year, but hopefully we won't have anything that sneaks up on us but there are things I've already been looking at like our roof issues. We are getting older and that's why we did that capital expenditures study. This would be the biggest thing that comes out of our capital expense.

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| Vice Chairman Swartz motioned to approve an amount not to exceed \$175,000 to install fencing surrounding the amenity facilities. Chairman Steiner seconded the motion. |
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Mr. Mifsud asked how long would it take for the fencing?

Mr. Soriano responded it would depend on delivery of supplies. I was going to point out I finally got our slide back up here. That was purchased and paid for at the beginning of this year, so almost 10 months. That's just because of supply issues. The fencing is aluminum, and we should get it quicker. We did the work over at Double Branch and it was probably a couple of months to get \$10,000 worth of supplies.

Vice Chairman Swartz asked six to nine months could be reasonable?

Mr. Soriano responded my goal would be to have it in before the start of spring and that helps us with control. If I can see during spring and summer how well that's working for those areas that are problematic, it's going to be summertime.

Chairman Steiner stated the other thing is we don't know whether prices will drop any, though it's highly unlikely. Once the demand and shortages get relieved a little bit, costs could go the other way. The main thing is the motion is going to allow him to proceed with that part of it and it doesn't eliminate the fact that if we have to, we can still take the court out. A fence is something that is wanted whether we do anything with the court or not.

Vice Chairman Swartz stated I agree. The idea of having more control over who is here, knowing that more times than not it is non-residents that are causing damage that we have to continue to spend money on, which makes us spend money on security guards to get them off the premises. It's the first step and once it's in if they're breaking through the new fence, then we take that next step. This just gets us down the road.

Mr. Mifsud asked would you hold off on basketball repairs until the fence is done?

Mr. Soriano responded other than little stuff. A few months ago, one of the fences was completely leaning in and we had to retie that so it does take labor hours, but it's a safety thing. I'm not worried about the cosmetic look of it, so unless it's a safety issue I'll hold off until we see how that bigger fence is going and if I can, I could completely take that way. When basketball was first installed, we didn't have that fence out there. Every couple years we added more on so we could try to solve a problem that seemed to be centered there.

Mr. Mifsud stated I've played basketball my whole life and I've played a lot of places where these issues were there, and I think when there's more security that you have to get through before you get to the basketball court, I think it will solve a majority of those issues because people are not that desperate to break multiple security barriers. They're looking for the easy

access point. They're not coming unless they feel like they can play. From my experience that's probably going to solve a majority of the issues we're facing.

On voice vote with all in favor allowing staff to proceed with installing fencing surrounding the amenity facilities at an amount not to exceed \$175,000 was approved.

SIXTH ORDER OF BUSINESS

**Audience Comments / Supervisors'
Requests**

There were no audience comments.

Vice Chairman Swartz stated I was going to suggest that with this refinancing going on, with the \$114 savings per year, maybe we consider having communication on that to the residents, or just have a workshop to discuss possibly using that money instead of applying it to paying down the debt faster.

Chairman Steiner stated if I remember correctly, the last time it was put back into paying the debt.

Mr. Eckert stated it wouldn't be a refund, it would be a reduction on next year's taxes.

Chairman Steiner stated but we addressed it by saying we are an aging community and rather than going back to the owners and increasing their assessments, we simply said this will allow us to do more when we apply it to our budget. We won't have to raise assessments, plus, it's also going towards the reserves that we have to have.

Mr. Eckert stated the reserve for the bond fund will be less under this plan, but I think from a logistical standpoint you've both raise a good point. You'll have a reduced debt service assessment that everybody will pay, and then in terms of your budgeting process that you will do in April, May or June of next year, you will determine whether you want to increase the O&M assessments such that the savings would be less, but you would use that money for capital projects or taking care of what you have. It will be in connection with your O&M budget that you establish in spring or early summer to determine how much of an actual savings on a total basis that people will see on their tax bill in November.

Vice Chairman Swartz stated then what I'm suggesting is that be communicated. It's automatically a reduction to the homeowners.

Mr. Eckert stated it's already a reduction provided that you don't raise your operations and maintenance assessments.

Vice Chairman Swartz stated and if we do, people will lose their minds.

Mr. Soriano stated we also explain what we're planning on doing as part of our nightly meeting we do every year.

Vice Chairman Swartz stated I'm saying we communicate with more specificity that we've done a refinance and we've lowered assessments by \$114 so when you get this reminder that we're raising it by \$114 just to keep it all the same, that people aren't shocked.

Mr. Soriano stated we don't have to send anything out.

Mr. Eckert stated if it's an overall increase in the O&M budget we would have to send out notice, but I think the question you're raising we can talk about in January because I can see the messaging being very important. Because if the message is just, we saved you money and then three or four months later you said we're going to raise your assessments, I think that messaging is important and I think you should decide if you want to deal with that in January, or in connection with your budget process in the April, May timeframe so it's all wrapped into one communication package. We can put that on the January agenda to address the community messaging and then the input they may want to provide for how you all use that money or not.

Mr. Soriano stated you said a workshop. Getting people to that night meeting is also helpful. You've seen unless we're doing an increase, even with that night meeting sometimes we only have one person show up. I can always get that out. I hate when we have to do the mail to thousands of homes out here and then they tell us they didn't get the letter. It's how we bring them in.

Vice Chairman Swartz stated that's why I'm bringing it up, how do we get the message to them. Some way of dictating it, because they're not going to remember that in January, we reduced assessments come June or whenever we pass the budget.

SEVENTH ORDER OF BUSINESS

Next Scheduled Meeting

Ms. Giles stated the next scheduled meeting is January 10th at 2:00 p.m. here at the Plantation Oaks Amenity Center.

EIGHTH ORDER OF BUSINESS

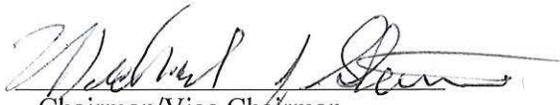
Adjournment

On MOTION by Vice Chairman Swartz seconded by Chairman Steiner with all in favor the meeting was adjourned.

December 13, 2021

Middle Village CDD


Secretary/Assistant Secretary


Chairman/Vice Chairman