

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, June 13, 2022 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:

Michael Steiner	Chairman
Tim Hartigan	Vice Chairman
Jeremy Spellman	Supervisor
Jonel Hicks	Supervisor
Jason Mifsud	Supervisor

Also present were:

Marilee Giles	District Manager
Mike Eckert	District Counsel
Peter Ma	District Engineer (by phone)
Chalon Suchsland	VerdeGo Landscape
Crys LaFata	S3 Security
Marla Dietrich	S3 Security

FIRST ORDER OF BUSINESS

Call to Order

Ms. Giles called the meeting to order and called the roll at approximately 2:04 p.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being no members of the audience present, the next item followed.

THIRD ORDER OF BUSINESS

Approval of Consent Agenda

- A. Approval of the Minutes of the May 9, 2022 Audit Committee and Board of Supervisors Meetings**
- B. Financial Statements**
- C. Assessment Receipt Schedule**
- D. Check Register**

Ms. Giles stated included in your package are the minutes of the Board of Supervisors and Audit Committee meetings, the financial statements as of April 30th, your assessment receipts schedule showing you are 99% collected, and the check register totaling \$149,089.79.

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

FOURTH ORDER OF BUSINESS

**Ratification of Engagement Letter from
Grau & Associates for FY 2022-2026 Audit
Services**

Ms. Giles stated the engagement letter documents and confirms the auditor’s acceptance of the appointment, the objective and scope of the audit, the extent of the auditor’s responsibilities to the District and the form of any reports they will produce.

On MOTION by Vice Chairman Hartigan seconded by Mr. Hicks with all in favor the engagement letter from Grau & Associates for FY2022-2026 audit services was ratified.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2022-11,
Approving the Proposed Budget for Fiscal
Year 2023 and Setting a Public Hearing
Date**

Ms. Giles stated today we’re going to approve the proposed budget and set a public hearing date. Once the budget is approved, we will provide a copy to Clay County as required by Chapter 190. We currently have September 12th as the date of the public hearing, but we have the August 15th meeting at 6pm and we could also have the public hearing on that date as it meets the 60-day requirement. I don’t need a motion to change the date on the resolution, I just need the Board’s direction.

Chairman Steiner stated there is no objection.

Ms. Giles stated we will go over the budget. There are four funds we deal with in this budget – the general fund, which covers all of the administrative expenses for the district; the recreation fund, which covers some administrative expenses, but mostly the costs associated with maintenance and the recreational expenses; the debt service fund which reflects the debt service with interest and principal payments for the 2018 and 2022 refunding that we just did; lastly is the capital reserve fund, which is the fund in which we set aside money for repairs and replacements to the capital assets listed in the capital reserve study that Jay has been working on. Using the capital reserve study, we will set aside \$250,000 for the capital reserves for FY23. This budget proposes an increase in assessments for the homeowners of Middle Village. Inflation

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is at 8.6% nationwide. It's higher than it has been in over 40 years. This time last year it was 4% inflation, so it's just unfortunate where we're at fiscally with everything.

Chairman Steiner stated on page 20 of the budget, you'll notice where it talks about the amount of the increase and you're going to see the single family shows and increase of \$144.63. The owner is not going to see that. Your CDD fees are a combination of the two assessments, debt service and the operations and maintenance. The debt service has a \$123 decrease for single family.

Mr. Mifsud stated this was going to be the difference between Option 1 for the refinance.

Chairman Steiner stated this budget was built with Option 1 incorporated. That was a savings, so that savings is that \$123.02 for single family. But the O&M has gone up. So, a single-family owner will see an increase between \$30 and \$40 a year. In fact, the multi-family with aquatics actually gets a reduction of a couple dollars. I think everyone can admit that over the last ten years everything has gone up, but maybe paychecks. We've targeted the \$250,000 for our reserves, so there is money there. We are in very good shape with the reserves.

Mr. Hicks asked when was the last time there was an increase?

Ms. Giles responded Fiscal Year 2013.

Vice Chairman Hartigan stated which was good and bad at the same time. It was good we were able to keep assessments level, but the bad thing is according to our capital reserve study, within eight years it could potentially create some severe problems in the long run.

Chairman Steiner stated this is the first year, to my knowledge, that we've been totally built out. In the earlier years we had developers walking away from the table and we had no income coming, so we were operating close to, or sometimes in the red, but we were able to maintain things across the Board.

Vice Chairman Hartigan stated unfortunately everybody in the community knows struggles. Everything has gone up for every individual person and they're already struggling.

Ms. Giles stated this capital reserve study really helps, because it takes into account the wear and tear on all of the capital assets that we have, and that's where Jay gets the recommendation to the Board on how much money to put in that capital reserve line. This goes out to 2052. We will do another one in five years because things change, but Jay feels comfortable with the \$250,000 going into the capital reserve line this year. He will look at that again next year.

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Chairman Steiner stated we have about \$1.6 million there now I think. We have \$250,000 in the budget. The reserve plan recommendation was \$400,000, but if you look at what they're talking about as far as needing replacements, you will find there is \$30,000 for each of the playgrounds in various communities, and there is no need to do a full replacement in those areas, so there's \$90,000 there. There is approximately \$82,000 for resurfacing the adult pool. I talked to Jay who said we are nowhere near needing to do that. The following year, in 2023, you'll find there is only \$30,000 being planned for replacements.

Vice Chairman Hartigan stated with that being said, even though it's nominal amounts it's increasing, is it really worth trying to raise it right now? Should we not consider waiting another year and reevaluating? You're talking about an administration work, a lot of notices, and making a lot of people upset, even though it's only \$30.

Mr. Mifsud stated you also have the \$123 that is the basis for the change and the redirection of the money from the savings, so it's \$144, but we only have to add \$30 because of that savings. We're actually changing that budget line by \$144 a year per home.

Mr. Hicks stated we have to communicate that message anyway.

Mr. Eckert stated right, you have to send the mailed notices if you raise O&M at all.

Vice Chairman Hartigan stated so according to the capital reserve study, we're \$169 a month short from where we should be, and I do see the fact that we should increase it to offset and keep us in line with that study. I'm just not so sure whether we need to do it this year or next year.

Chairman Steiner stated the problem is where does the money being identified in the O&M budget come from if we don't do this now? That money is coming out of that savings and at least according to Jay and his look at what is needed, is funding the services that we have going on now. We would actually have to cut services because you have to reduce the O&M budget. I'm not sure it's as simple as saying we're not going to do this. You'd have to strip out money that was put in to the O&M to meet the services that are forecasted.

Vice Chairman Hartigan stated I agree we're in a no-win situation. We just have to select which is going to be our best course of action.

Ms. Giles stated the capital reserve study has the dollar amounts on there. For FY23, they recommend we put \$263,000 in. The current plan that you're following shows you going in to the red rather quickly. In 2028 you would be in the red. In the new capital reserve study, his

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recommendation on Table 1-2 shows the annual reserve contribution is \$263,000, in FY24 is \$266,000, in FY25 is \$269,000 and so on. A column further over shows projected expenditures for repairs. In FY23 it shows \$400,000 in repairs, if all those things had to be repaired. We know Jay does a great job with figuring out how to make things last longer than what is on here. In FY24, it shows only \$88,000 in repairs. In FY25, is where that \$30,000 in repairs is. This is a best-guess scenario if everything was to break at once how much we would spend each year to repair it and that's why we put that much money into the capital reserves.

Mr. Mifsud stated as we move forward in time and those red items if they increase, is that taking into consideration future costs that was on every line item. If it's something that has to be replaced in 2026, it goes up 4-8%.

Chairman Steiner responded yes, that's inflation and projections in increases in labor.

Ms. Giles stated Table 2-1 is where you'll see a lot of red, and that's our current path. That's not the path we want to stay on. We want to move to Table 1-2.

Vice Chairman Hartigan stated you said there was \$263,000 and our savings on the bonds was \$123,000?

Ms. Giles responded \$263,000 is what is recommended for the capital reserve fund.

Chairman Steiner stated in August we adopt the budget, which may have some adjustments. We can take some from one category and move it to another, but we cannot increase the overall budget for O&M. We can go down, but we can't go up. From that standpoint, where we're sitting now, the letter has to go out and the budget has to go to the County. All of that has to happen. In this is an operating reserve, which is used to fund how we do business during the months of November and December, because we don't start receiving funds for the O&M and so forth until they come in from the tax collector after the first of the year. So, in this O&M budget and in this environment, we have to maintain operating funds for those three months. So, if all of that money is not used, in the December/January timeframe, it is rolled into reserves. That's how we've been doing it the last several years. So, even though we have \$250,000, there may be more going into reserves if we don't have a big-ticket item that pops up. We do have one big ticket item coming up, the roof has to be repaired on this building, and it's estimated to be about \$70,000. What we've been able to do is extend the life of certain items. So, we've been working the budget to handle things as they come up.

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Vice Chairman Hartigan stated with savings from the bond this year, we don't have to raise it \$30 or consider ways to offset, but come next year, do we lose that?

Chairman Steiner stated the savings will be there for the length of the bonds, and that's about ten more years. In 2035 the bonds are paid off, so each year, we're saving that amount of money.

Mr. Eckert stated just one clarification. We're trying to set the high watermark today so we don't get into a time crunch with the notices that have to go out, but the way the timing works, your next meeting is July 11th, so in the event Jay is here and says the budget is too low, we would have time to modify that notice. All you're doing today is approving what is going to be sent to the County, and if you went up in July for some reason, we would just send a revised version to the County. It wouldn't delay our hearing or notices at all, so that's just the way your calendar works out.

Chairman Steiner stated I'd like to make a motion to approve the budget as it is now, then we can discuss it further.

Chairman Steiner motioned to approve Resolution 2022-11, approving the proposed budget for Fiscal Year 2023 and setting a public hearing date. Mr. Hicks seconded the motion.

Mr. Spellman stated I think with the timing of it to where if we need to make adjustments at the next meeting when Jay is here, that sounds good to me. We can move forward and make an adjustment if we need to based off discussions with him.

On VOICE VOTE with all in favor, Resolution 2022-11, approving the proposed budget for Fiscal Year 2023 and setting a public hearing date for August 15, 2022 at 6:00 p.m. was approved.

SIXTH ORDER OF BUSINESS

Other Business

There being no other business, the next item followed.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

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Mr. Eckert stated I'll be working with your manager and Chairman on this. Any time we have a situation where we're decreasing debt assessments, and we're increasing O&M assessments, it's important to communicate that to the residents in a way that is understandable so they understand what the net result is, but you also can't do that in a way that waters down the O&M assessment notice that the statutes require you to send, so we will be working with them to finalize that. Certainly, if it's something we get done in time for when your agenda package goes out, we can put a draft in your agenda so you can see what that document looks like.

Mr. Hicks asked what are the statutes on that?

Mr. Eckert responded the statutes require that any time we increase the annual operations and maintenance assessment, we send a mailed notice to all landowners within the district and in that notice, it's required that we say the total amount that the district will collect in the assessments, which is the total amount of the revenues in your budget and the amount that the particular property owner would have to pay. We also add the difference between last year and this year. What we will be adding this year, and this is not statutory, this is for educational purposes, we will be adding the debt service savings so people can see the net result of this change you're making to the assessments. It's Chapter 197.3632 that sets forth all the things that have to be in the notice. So, there will be a mailed notice that goes to all landowners, and there will also be a published notice that has to be published at least 20 days in advance of the public hearing. If we are direct collecting assessments against a property owner, which I'm not sure that we're doing anymore now that we're fully built out, that is a 30-day mailed notice. But, if it's going to a homeowner, whose assessments are collected on your tax bill, that is a 20-day mailed notice.

Mr. Hicks stated so the homeowners would get this letter before our next meeting?

Mr. Eckert responded no, they will get the letter after our next meeting, but it will say we are going to have a public hearing on August 15th at 6pm, you're invited to provide comments to the district manager in advance, and you're also invited to come to the public meeting and express any comments at that point in time.

B. District Engineer – Acceptance of the Stormwater Needs Analysis Report

Mr. Ma stated if you recall, back in the fall or early winter, there was a state mandate requiring a number of entities, including special districts, to perform a stormwater needs analysis

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for the next 20 years, and they were kind enough to give us all of the forms and spreadsheets. The last few months we figured out what was needed to input in these forms, so we can quickly go over these forms page by page if you'd like. We have background information such as the district manager, what water management district we're in, if we're a special district, and we gave a narrative description of what we are. They asked for different stormwater program activities. The good thing is I've been at Double Branch and Middle Village since the beginning, so we knew all the stormwater systems that you have and we still have all of the information, so we were able to fill out these forms fairly quickly. Part two asks for linear footage of our culverts and ditches. I gave Marilee several files, one of those files is a Shapefile of a project boundary, which can only be opened in some kind of CAD or GIS program, and that is part four. That will be submitted along with everything else. Part 5.1 is the routine operations and maintenance where we give them the data of what we've spent in the last year. In years 2021-2022, \$18,000 is what we're going to spend, and then we project from 2022 to 2027 in five-year increments what that expenditure is going to be. So, for the next five years it's \$97,000; 2027-2032 is \$109,000; 2032-2037 is \$122,000 and 2037-2042 is \$138,000. I don't believe we're going to have any future expansion since it's all built out. It asks for sources for documents, which is the water management district and Clay County approved plans. In short, that's the form that we filled out. I believe Marilee found out who we need to submit all this to. I'm not sure what they're going to do once it gets there, but we did our part. Behind the spreadsheet we also had a couple of other items. Your stormwater management plan straight out of our management district permit, the conditions to those permits that we have to meet – all stormwater facilities to be maintained; at least once every two years we review the control structures to see if there are any deficiencies. I think that is fairly new. We may have to start doing that every two years. We only remove dead trees in the conservation easement, and then we preserve the wetland and conservation easement areas. We basically protect from erosion and settlement. At the very end we have limitations and assumptions. These are for our own protection; the limitations and assumptions we had for this plan.

Chairman Steiner stated when I looked this over, the maintenance of the berms and the clearing of the outflows, all of those are activities that Jay currently handles, so this is not an additional cost factor. A fair amount of that cost is already being done on a monthly or yearly basis.

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Mr. Ma stated that's correct. You guys have Lake Doctors, or somebody similar that comes out there on a regular schedule, so I believe you are in fine shape. I also want to point out that I think we had a work authorization for an amount not to exceed \$10,000 for this project. Our company does at least 30 CDDs and we were able to spread the costs among all of them. It shouldn't be more than \$2,500 for this report; probably even less than that.

Mr. Eckert stated Peter, before the report is submitted, if you don't mind, please go back and look at the number of estimated storage or treatment basins that you have in here compared to what is here. I just want to make sure that is correct. That is in Part 2, right under the linear feet. Just so the Board is aware, the intent of this law is for every local government within the county to prepare this type of document and send it to the county. The county then has to compile it all and send it to the state. So, they're going to add up how many linear feet of culvert do they have in their county and stuff like that.

On MOTION by Vice Chairman Hartigan seconded by Mr. Mifsud with all in favor the stormwater needs analysis report was accepted subject to any changes to be made by the District Engineer.
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C. District Manager

There being nothing to report, the next item followed.

D. Operations Manager – Memorandum

Ms. Giles stated I think most of you have spoken to Jay regarding his report in his absence today. If there are any questions or comments for Jay, I'll be happy to talk to him tomorrow.

Vice Chairman Hartigan stated the one thing I noticed is on the rentals, they could be a little more specific. Let's say they're renting four out of four weekends, but yet contained within the itemization, we will have maybe two refunds, so it's really not four weekends rented. It's two weekends. If we can be a little more specific on that, it would help us out.

Ms. Giles asked Ms. Suchsland, is there anything you'd like to add?

Ms. Suchsland stated the mulch that you guys approved for the outer bed is scheduled for July, pending weather and staffing. The crape myrtles to be planted, we are waiting on Jay to

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approve wiring. There's wiring that was cut by the construction company. When they did the brick they cut through the promenade, so we have no irrigation from that point down to the rest of it, so we don't want to plant any new material. The tree work we did this last month, we did the one in front of the entrance of the insurance agency, which I understand is now going to become an Ace Hardware. We also had to take down a tree at the Hamilton Glen entryway. It was getting eaten up by termites from the base up so that was going to be devastating if it fell. We also got the large oak tree down on the school road that had been dead for some time.

Mr. Mifsud stated over at the Dollar General by Publix, there's a couple of palm trees that are dead. I don't know who owns those, if it's Dollar General, or if that's part of an area that the CDD is responsible for.

Ms. Suchsland stated that's not the CDD.

EIGHTH ORDER OF BUSINESS

Audience Comments / Supervisors' Requests

There were no audience members present.

Chairman Steiner stated I just want to address one thing that has been sent to Jay. I'll let him work the final part of it, but it has to do with the motorized scooters. I received an email from two residents that were over here running in the grass off of the ball field in motorized scooters. They're still going up and down. Jay and I are trying to find ways to handle that, but it needs to be stated that motorized scooters are not to be operated on CDD property. We seem to be caught in a catch-22 when it comes to power, or security and what CCSO will do for us. We've got to find some way to get this under control. From what I was told, there was an unsatisfactory response when it was reported. I told them I would look into that with Jay being out.

Vice Chairman Hartigan stated we have to be careful with saying motorized scooters in general due to ADA.

Chairman Steiner stated these are motor scooters.

Mr. Eckert stated but you're correct, we need to look at the policies and if there is a prohibition, there needs to be an exemption for a motorized wheelchair for instance.

Chairman Steiner stated we're talking street bikes. They're up here racing. They're going between the ball fields and the pines between the preserve and CDD property. There's been a couple of confrontations. I did tell the resident I would bring it up.

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Ms. Suchsland asked do you know where they're coming from?

Chairman Steiner responded no. I don't know where they're coming from, or when they're going.

Ms. Suchsland stated I've seen one repeatedly that is coming out of Eagle Landing. One is a father that has a son on the bike, plus they have a golf cart and another little mini scooter.

Chairman Steiner stated I've heard them going through the wooded area back here. The incident that was reported to be is races in the pines on the edge of the preserve area. These probably weigh close to 100 pounds. They are not battery-operated toys. They are flying and somebody is going to get hurt. There's got to be some way to control them. As I understand, CCSO was given a video, but they say it's private property.

Vice Chairman Hartigan asked have your security officers witnessed this behavior?

Ms. LaFata responded they have, and they've been including them in their reports and chasing them off. The problem is, we don't have a way of catching them, but we are aware of it. On the weekends, it's the worst. They stay really busy chasing people off. As soon as they see us trying to approach them, they're gone.

Mr. Hicks asked how many incidents on average per weekend?

Ms. LaFata responded three or four per day on the weekends.

Vice Chairman Hartigan stated I'm sure you have talked to the Clay County Sheriff's Office. What did they say?

Ms. Lafata responded they just asked for a description with as much detail as possible. We provided that, but nothing really comes of it.

Mr. Hicks asked what kind of solutions do we have?

Chairman Steiner responded we've played with some ideas of putting some travel constraints on the promenade itself, because right now there's only two entrance ways, down here and up at that new development. All of the others have a wall. So, when they're going that direction, they're probably going into that new community. We played with putting some kind of controls like we did between the parking lot out here and the preserve, the bollards, but the problem is that we do have ADA issues, and while we don't necessarily condone it, it's going to affect kids with bicycles, or adults with bicycles who are not as much of a problem, but we don't agree to allowing the bicycles, but we don't want to put something in that's just going to mess everything up. Security has a valid point. They can't chase them down. These guys take off and

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go and you can't keep up with them. They don't go by any set schedule, so it's not a matter of having somebody there at a certain time. I do understand, but it's something that is getting to be a bit of a problem and from our standpoint, we state no motorized bicycles or what have you on the promenade.

Mr. Hicks asked is it is a money issue? The only solution I see is to have a Sheriff's officer here on the weekends. To be here and witness it himself. If they're not here, they're the second option. By the time you call them, they're already gone. Is that something to try to fit into the budget?

Chairman Steiner stated it's something that is being addressed in the current budget since our fees to CCSO are going up.

Mr. Eckert stated we've had this issue before at other places and one of the things that some boards have done is they have hired an off-duty officer to be here for one, two or three weekends, because it's usually the same people that are doing it, so you're not looking at something where you'd commit for six months. You'd commit for two to three weekends to see if the message can get across and you may have to do it again in eight or nine months, but that is an option I've seen other boards do.

Chairman Steiner stated we've talked about that. I haven't noticed it on the weekends as much as I have in the late evenings during the week.

Vice Chairman Hartigan stated we should get it directly from them as far as when they're witnessing it.

Ms. LaFata stated I can run a report and gather as much information as I can on it.

Chairman Steiner stated the other thing is I believe Jay is planning a meeting with the Clay County Sheriffs because of the issues with getting them to trespass, which is the only thing we can do because it's in violation of the policies.

Mr. Mifsud stated I know the HOA used to spend around \$30,000 a year on CCSO coverage for all of Phase 2, every sub association, every parking lot. I don't know if they're still doing it.

Chairman Steiner stated I can tell you we never saw them, because that was one of the things I brought up.

Mr. Mifsud stated sometimes they were in an unmarked car.

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Chairman Steiner stated we currently have CCSO off-duty here. We pay for them for both Double Branch and here. It's a line item in the budget. They're up here, and it's going on down there. They're not on foot, they're sitting in vehicles, so it's a matter of coming to an agreement of what can be done and then trying to do it, before someone gets hurt.

NINTH ORDER OF BUSINESS

Next Scheduled Meetings

Ms. Giles stated our next meetings is scheduled for July 11th at 2:00 p.m. here at the Plantation Oaks Amenity Center.

TENTH ORDER OF BUSINESS

Adjournment

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

DocuSigned by:
Marilee Giles
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Secretary/Assistant Secretary

DocuSigned by:
Michael Steiner
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Chairman/Vice Chairman