

MINUTES OF MEETING
DOUBLE BRANCH COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Double Branch Community Development District was held Monday, June 13, 2022 at 4:00 p.m. at the Plantation Oaks Amenity Center, 845 Oakleaf Plantation Parkway, Orange Park, Florida 32065.

Present and constituting a quorum were:

Cindy Nelsen	Chairperson
Chad Davis	Vice Chairman
Tom Horton	Supervisor
Scott Thomas	Supervisor

Also present were:

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

FIRST ORDER OF BUSINESS

Roll Call

Ms. Giles called the meeting to order at 4:00 p.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being no members of the public 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 agenda package are the minutes of the May 9th Audit Committee and regular Board of Supervisors meetings, the financial statements as of April 30th, your assessment receipts schedule showing you are 99% collected, and the check register totaling \$103,580.59.

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On MOTION by Mr. Horton seconded by Vice Chairman Davis with all in favor the Consent Agenda was approved.

FOURTH ORDER OF BUSINESS

Ratification of Engagement Letter with 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 client, and the form of any reports.

On MOTION by Vice Chairman Davis seconded by Mr. Horton with all in favor the engagement letter with Grau & Associates for FY 2022-2026 audit services was ratified.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2022-05, Approving the Proposed Budget for Fiscal Year 2023 and Setting a Public Hearing Date for Adoption

Ms. Giles stated we need 60 days between approval of the budget and adoption, so our August 8th meeting will not work for adoption of the budget. As of right now, our August 8th meeting is scheduled for 6pm. Do we want to change our August 8th meeting to the normal 4pm time?

Vice Chairman Davis stated I would say yes. The purpose of it is to have more options for participation and it's not going to be for that meeting.

Chairperson Nelsen asked will a letter go out before this?

Ms. Giles stated August will just be a regular meeting, and then we will adopt the budget at your September meeting.

Mr. Eckert stated it will just be the notice that you put in the paper. That hasn't gone out yet.

Vice Chairman Davis asked the notice will read that the August meeting is now 4:00 and the budget meeting will be 6:00?

Mr. Eckert responded no, I think what she is suggesting is in August, we're not going to deal with the budget, so it's just a regular meeting notice that says your August meeting is at

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4:00. Then, you're going to have a separate mailed notice and published notice that goes out to all of the residents saying our budget hearing is going to be September 12th at 6:00.

Ms. Giles stated on the resolution you'll notice it says September 12th at 4pm. Do you want to change that to 6pm?

Chairperson Nelsen and Vice Chairman Davis responded yes.

Mr. Horton asked are you going to change the website?

Ms. Giles responded yes, sir. The exhibit in your agenda with the resolution is the proposed budget and it has four funds – the general fund budget, which covers all of the administrative expenses for the district; the recreation fund, which covers some administrative expenses, but mostly maintenance, common area and recreational expenses; then there is the debt service fund, which reflects the debt service with the interest and the principal payments for the 2013 bonds; lastly there is the capital reserve fund, which is where funds are set aside for repairs and replacements of your capital assets listed in the capital reserve study. Using that capital reserve study, we've set aside \$190,000 for FY23's budget line. Jay is still working with Charlie on your capital reserve study. We sent you the draft copy. Charlie gives you one free update, so Jay is still working through that with him. When it's finalized we will add it to the website. The proposed budget includes an increase in assessments for the homeowners. There are several factors that have influenced that increase: the rising costs on all services, labor costs and fuel costs. Inflation is at 8.6% right now, which is higher than it's been in 40 years. This time last year inflation was at 4.16%. You'll see in the budget, talking about a single-family home, last year the operations and maintenance assessment was \$719. This year it is \$848. It's an increase of \$128 per year, which is an 18% increase, which breaks out to be an \$11 increase per month for a single-family resident.

Mr. Lanier joined the meeting at this time.

Mr. Horton stated \$128 is going to cover us for what we did the past year, correct?

Ms. Giles stated for all of the Clay County Sheriff's office increases and all the increases we've seen thus far.

Mr. Horton stated the thing that concerns me is maintenance. If you look at the guy that is doing the assessment of all of our equipment right now, he says we need to do more. We need to do simple things like painting and stuff like that. My concern is do we have enough people to do that.

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Ms. Giles stated I trust Jay's years of experience with that. Jay has met with Charlie.

Mr. Horton stated I talked to Jay about it one on one and I suggested we up it a little bit to take care of some extra maintenance. We're doing more maintenance every year. It's going to take more money to do that. What we're doing here is just covering what we know right now, but each year we're replacing some of the playgrounds, they've suggested doing more painting and upkeep and things like that. The pool leaks take more time and money to do those. There's just a lot that needs to be done, so what I'm saying is if we raise it to \$128 right now, are we going to come back next year and say we are a little bit behind and we need to raise it again?

Ms. Giles stated the \$128 increase includes the projects that are in the capital reserve study. In here there's a breakout of what needs to be replaced by year. For FY23, there is an irrigation pump and an entry sign refurbishment. Are you talking about the man hours that go into that?

Mr. Horton stated yes. It takes the people that we hire a lot of time to get these things done. Another person would help getting the maintenance done, instead of waiting months, like we're doing right now. I keep asking has this been done yet, and I get a response of no, we haven't gotten to that yet. We're going to require more upkeep maintenance as time goes by.

Vice Chairman Davis stated in my opinion, I think we can offset some of that in the future by not doing all of the extra stuff that we're spending money on like putting equipment in around the track, putting in an aluminum bridge and pathway through the forest, a dog park, etc. Maintenance is stuff that has to be done. Some of this other stuff, like pickleball, doesn't. We're spending money left and right, so maybe we cut back on some of that.

Mr. Horton stated we can always cut back on things, I guess. I just think it would make financial sense to increase the \$128 to say \$200, so that next year we don't have to ask for any more.

Ms. Giles asked what was Jay's thought when you talked to him?

Mr. Horton responded he thought it was a good idea.

Mr. Eckert stated I think what you would be doing is adding a dollar amount to the repairs and replacement line item, and then you would send a notice out based on that and you'd be able to bring it down from there at your public hearing, but you're still sending an invitation to the hearing to everybody. That's why you try to be realistic right now.

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Chairperson Nelsen stated when I talked to Jay, originally his goal was to try to keep it around a \$10 per month increase. He wanted it at \$120 originally, but I do see Tom's point. It's costly to do this, because we have to send a letter to every single landowner every time we increase, so we can bring it down if we send out letter and when everybody is here, get Jay's opinion and then we can bring it down. We don't have to go to \$200.

Mr. Horton stated it's just my suggestion. We're spending more time and not to mention vandalism. That's not accounted for anywhere that I can see anyway.

Mr. Thomas stated after speaking with Jay in a one-on-one discussion like it seems like everybody has, I was under the impression we were thinking around \$120 or \$10 per month increase. To bring up what Supervisor Davis brought up, we are spending extra money and one of the reasons we were able to do that is because we were saving money, and we also are putting aside a certain amount of money into a savings account that we're able to draw from. So, one thing that will offset that cost is not putting so much into that capital reserve.

Chairperson Nelsen stated I believe we're required to put so much in there.

Mr. Eckert stated not in a CDD. That's something that is within the discretion of the Board. You have a reserve study that you use as a guideline, but the budgeting decision is for you all. An HOA is different. There are different laws that apply to the reserves.

Mr. Thomas stated from my understanding, with all of the extra things that Supervisor Davis brought up with the dog park and pickleball and everything else, that was because we had money on hand that we could spend and if we want to continue to have a couple extra dollars on hand so we can immediately do something for the community, then we need to continue to have that going into that reserve account. If we don't want to have that money on hand, then we just need to lower the savings.

Mr. Horton stated another consideration is we haven't raised the rates in 10 years. That's a long time. Also, when we did the bond refunding, I believe we lowered the rates.

Chairperson Nelsen stated we did, \$200 per home.

Mr. Horton stated so in a way, we're just resetting that to what it was before.

Ms. Giles stated if you all are in agreeance, you can either tell me how much you want to take that repair and replacement line up to, or you can tell me what you want the assessment increase to be per month and I can work with the accountant to get to either one. We could still approve the budget as amended.

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Mr. Eckert stated we can. We need to today because the deadline is in two days. I just ran some rough numbers. What you could do is approve it and bring the increase not to exceed \$200 on the single-family with everything else corresponding, and then everything else not to exceed \$200,000 additional to that repair and replacement item. I just ran rough numbers based on if you treated single-family and multi-family the same and added \$75 per assessment. You could do it that way if the Board wanted to, otherwise you'd have to run whatever number through the methodology.

Mr. Horton stated like you said, we can make it \$200 right now and drop it down in September at the budget adoption meeting.

Chairperson Nelsen asked what do you think?

Vice Chairman Davis stated I know what my vote is. If you want to make a direction, I'll vote on it.

Chairperson Nelsen stated what if we do a lower amount, a not to exceed \$180 or something? Or were you thinking about sticking with this number?

Vice Chairman Davis stated I was thinking about sticking with this number.

Mr. Thomas asked which number are you guys talking about sticking with?

Chairperson Nelsen stated the \$128 increase in assessments.

Mr. Thomas stated is everyone in agreement we're going to have to do something because as it was previously mentioned before, the inflation has pretty much doubled since last year.

Chairperson Nelsen stated I think we're all in agreement we have to do something, so \$128 minimum.

Vice Chairman Davis stated that's what the increase is for.

Mr. Thomas asked so do we need a not to exceed? Would a not to exceed \$130 be acceptable to everybody?

Chairperson Nelsen stated Tom is thinking a not to exceed \$200.

Mr. Eckert stated I think what would be helpful is each supervisor say where you're at individually, if you're at \$128 or if you're higher.

Mr. Lanier stated I'd like to see a not to exceed of \$180. I think that gives us a lot of flexibility and it's not a tremendous increase. I think that would continue to offset this for more than a couple of years.

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Chairperson Nelsen stated it's \$15 a month.

Vice Chairman Davis stated versus \$11 or \$12 right now. I'm okay with that.

Chairperson Nelsen stated that was exactly what I had in mind.

Mr. Horton stated I can go along with that.

Mr. Thomas stated is that along the same lines of continuing the same amount that we're currently putting into savings?

Chairperson Nelsen stated it would be a little more.

Mr. Thomas asked do we want to put as much into the capital reserves? That's what I'm wondering. If we increase it to \$180, would that affect the amount we have going into savings.

Vice Chairman Davis stated we're talking about the increase in assessment right now. You're kind of on a different page.

Chairperson Nelsen stated any extra that we bring in would go into the capital reserve savings.

Ms. Giles stated that was my question, was are we putting the increase in the repair and replacement line or into the capital reserves?

Mr. Horton stated repair and replacements would work well.

Mr. Eckert stated you can transfer into capital reserves later.

Vice Chairman Davis stated we just wanted to know if you are okay with the \$180.

Mr. Thomas stated yes.

Ms. Giles stated we will make that adjustment to the budget and put whatever that turns out to be as far as dollars into the repair and replacement line.

Chairperson Nelsen asked and then we would notice that amount and we can always go down, correct?

Ms. Giles responded yes.

Mr. Eckert stated just to be clear, the \$180 is the increase in assessments for a single-family unit. It's not \$180,000.

Chairperson Nelsen stated right. Then proportionally it would raise the other unit types.

On MOTION by Mr. Horton seconded by Vice Chairman Davis with all in favor Resolution 2022-05, approving the proposed

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budget as revised and setting a public hearing for September 12, 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**

Mr. Eckert stated I will be working on the mailed and published notices, and we will make sure you guys get a copy of that. Just understand the mailed notice is a statutory notice and a lot of people think it's a pretty formal letter. So, to the extent that you get questions from residents, I'd suggest you send them to GMS for them to respond to those questions so they can provide uniform answers to everyone.

Mr. Horton stated I think we brought up a lot of responses to questions. We haven't raised assessments in ten years, we refunded the bond, which lowered the bond by \$200, and inflation rates are high.

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

Mr. Ma stated back in the fall a state mandate was issued for all entities, including special districts to provide a 20-year needs analysis and there was a template that they gave us. With the help of the District Manager, we proceeded to go off the form. I'll go over it quickly. We have some general background information and a description of the district. We talk about our stormwater program and the fact that we have retention ponds everywhere. We also estimated the amount of piping we have in feet, which is approximately 14,000 feet. We have 23 retention ponds. The most important part I believe they're looking for is the expected costs that we will be spending in the next 20 years. From 2021-2022 it's estimated we spent \$25,000. For years 2022-2027 it's estimated we will spend \$132,000. For years 2027-2032, it's \$148,000, then \$167,000 and finally \$188,000. In the back of the report is the stormwater management plan for the district that we've been following since the beginning of the district and then we also have our limitations and assumptions on this analysis to cover ourselves. The good news is the work authorization for us to do this work was I believe not to exceed \$10,000.

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Since our company is involved in at least 30 CDDs, we were able to spread the cost of our analysis so it shouldn't be more than \$2,500.

Mr. Horton stated you mentioned these amounts of money. Does that come out of the District's funds?

Mr. Ma responded the District Manager and I gathered about five years of costs that we've spent on the stormwater maintenance and used that to project the future costs with an increase of 5% annually.

Mr. Horton asked you're saying the district is responsible for 14,000 feet in pipe?

Mr. Ma responded it's already in the ground. Most of it is in the Clay County right of way, so Clay County is maintaining it. You are responsible for the stormwater ponds though and you do that through your operations and maintenance funds.

<p>On MOTION by Chairperson Nelsen seconded by Vice Chairman Davis with all in favor the stormwater needs analysis report was accepted.</p>

C. District Manager

There being nothing to report, the next item followed.

D. Operations Manager - Memorandum

Ms. Giles stated Jay's reported is in the agenda package. I think each of you have talked to Jay ahead of this meeting, so if there are any comments, questions or concerns about his report, I'd be happy to take those down.

There being no comments on the operations report, the next item followed.

Ms. Giles asked Ms. Suchsland, did you have anything to report?

Ms. Suchsland stated we are starting the mulch in the beds throughout the property. We've done some extension tree work and chipping on your side. We got the branches on Piedmont Park, and we've gotten a lot of over the street and sidewalk trimming. We are coming back to do the roundabouts because they are getting a little low. We've been doing some residential that Jay has contacted us about that are close to their fence line that we've just dropped in the preserve to make them feel more comfortable. Mulch and pine straw will be done next month, and flowers are scheduled for the end of this month.

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Mr. Horton asked on the loop road, is there a certain amount of feet over the sidewalk that you clear?

Ms. Suchsland responded eight feet. Over the roadway is fourteen feet.

EIGHTH ORDER OF BUSINESS

Audience Comments / Supervisors’ Requests

Audience Comments

There were no audience members present.

Supervisor Requests

Mr. Horton asked Ms. LaFata if S3 Security had anything to report.

Ms. LaFata responded there wasn’t anything too extraordinary. We’ve been seeing a lot more violations as far as motorized scooters and two-wheel bikes that are against violation. Generally speaking, as soon as they see us, they take off, so we can’t really catch them. We are working towards getting the golf carts set up. We have all the officers trained a ready. We had a little bit of a hiccup getting a key, but we have a key now and we can begin utilizing the golf carts probably tomorrow.

Mr. Thomas stated you mentioned the branches, the one going to the stoplight by the elementary school is a little low and in the mornings it’s a little hard to see the traffic light, if you could look at that.

Ms. Suchsland stated got it.

NINTH ORDER OF BUSINESS

Next Scheduled Meetings

Ms. Giles stated the next scheduled meeting is July 11th at 4:00 p.m. at the Plantation Oaks Amenity Center.

TENTH ORDER OF BUSINESS

Adjournment

On MOTION by Vice Chairman Davis seconded by Chairperson Nelsen with all in favor the meeting was adjourned.

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Double Branch CDD

DocuSigned by:
Marilee Giles
3B3269E1043B434
Secretary/Assistant Secretary

DocuSigned by:
Cindy Nelson
4834ED053396448
Chairman/Vice Chairman