



Municipal Service District of Ponte Vedra Beach
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MEETING MINUTES

SEPTEMBER 11, 2023

The Trustees of the Municipal Service District held their monthly meeting on Monday, September 11th at Our Lady Star of the Sea Catholic Church at 6:00 PM.

TRUSTEES PRESENT

Al Hollon – Chairman
Kitty Switkes – Vice Chairman
Rick Brown – Treasurer
Charles Callaghan
John Cellucci
Brad Wester
Michael White

Wayne Flowers – Attorney

Chairman Hollon called the meeting to order at 6:00 p.m. We will begin with the Pledge of Allegiance to the Flag.

Chairman Hollon explained the public notice, order, conduct and civility. You will be given three minutes to speak if you turn in a speaker card.

APPROVAL OF MINUTES

The Board of Trustees meeting minutes from August 14th were discussed. A motion was made to approve the minutes, they were seconded and unanimously carried.

PUBLIC COMMENTS

Scott Pearson – 180 San Juan - Mr. Pearson reported that following up from the budget meeting he suggested that the Treasurer's Report be put on the website after each monthly meeting so the public has access to a reconciled Balance Sheet. Chairman Hollon reported that perhaps we can post it on the website. It was decided that the secretary will send it to the webmaster like the minutes for it to be posted. Mr. Pearson asked about the two items in new business regarding the increase of the reserves as in his mind there is not a reason to increase this and the changes to the Charter, and having a lobbyist to do this he would like to know what the changes are that require a lobbyist. Mr. Pearson asked if this is public information. Chairman Hollon reported that these are all in the minutes when this was passed and the Charter was amended in 2002, to provide that the board cannot spend more than \$150,000 on any capital project and the reserves could not be more than \$200,000. Chairman Hollon reported that in the Charter review with inflation we needed to keep \$150,000 as a floor or 33 1/3% of the budget as this was 20 years ago. Mr. Pearson asked how do you increase a budgetary item when you have not spent it and not used the reserves is hypocritical.

Chairman Hollon reported that there are also term limits for Trustees in the Charter that we wanted amended. Chairman Hollon reported that all these changes must go through the legislature in Tallahassee. Mr. Pearson reported that aren't you supposed to have a public hearing if you are going to make changes to the Charter? Chairman Hollon reported that we had this discussion at last September meeting in 2022. Ms. Gleason asked, "are you not going to notice this and are saying that a monthly meeting is a public hearing?" Chairman Hollon reported that is how it works. We meet monthly and post an agenda and if there is something on the agenda, we can act on it.

Kathy Gleason – 318 San Juan Drive – Ms. Gleason reported that \$150,000 in capital expenditures there has to be a hard number other than a percentage of the budget. There is not hard limitations on the amount of money as you can go to the public and request a vote. Chairman Hollon reported that he disagrees as this would cost additional money to conduct an election. When we have a public meeting and the public does not show up then what are we supposed to do?

TRUSTEE REPORTS

CHAIRMAN'S REPORT - CHAIRMAN HOLLON

REPUBLIC / SHERIFF PATROLS AND PAYMENTS

Chairman Hollon reported that he asked them about the yard waste was being picked up late and they reported that it is the volume of yard waste and not a staffing shortage. The sheriff's reports show there were 78 citations, mostly speeding and running stop signs, 191 warnings and 21 parking citations. During the summer we have doubled up on the weekends for the extra duty. Vice Chairman Switkes asked what the hours are the deputies are working. Chairman Hollon reported from 7 am to 10 pm. Trustee Callaghan asked deputy Tedder about a lawn truck that was pulled over and the guy was handcuffed. Deputy Tedder reported that his license was suspended and he had warrants in St. Johns and Duval counties.

JEA / LANDSCAPE – VICE CHAIRMAN SWITKES

Vice Chairman Switkes reported that regarding JEA she is still collecting addresses for fire hydrants that need painting. She reported that all the back flow preventers have been checked and the one in Waterbridge failed. She told them that the MSD is only paying for their irrigation and they are responsible for the backflow. Regarding the landscaping, everything is under control. There are a few areas in the MSD that the county is not taking care of and will ask to see if the county will take care of this area on Pablo behind Golfview and A1A at Solana on the north side.

TREASURER'S REPORT / STREET SIGNS– TREASURER BROWN

Treasurer Brown reported that we have covered the Treasurers report with nothing out of the ordinary on expenditures. We have some street signs that need to be replaced and one is in Trustee Cellucci's front yard as the sign was run over. Mr. Pearson asked Treasurer Brown where he expects to finish this year. Treasurer Brown reported that it is only a draft budget but his opinion is we will not come close to spending that number. A motion was made to approve the Treasurer's Report, it was seconded and unanimously carried.

BEACHES ENERGY / WEBSITE – TRUSTEE CALLAGHAN

Trustee Callaghan reported that Beaches Energy (BE) have fixed six streetlights that were reported and are still looking into adding four additional lights. We are waiting for BE to come back with a design plan. Regarding the website, we have made all the date changes for the PVIC meetings.

NEWSLETTER / FLAGS / INSURANCE - TRUSTEE CELLUCCI

Trustee Cellucci reported to start thinking about your newsletter article. He reported that we had to retire a few flags and bought some additional brackets. Regarding our insurance we have not received the final invoice.

BEACH AND SIDEWALK– TRUSTEE WESTER

Trustee Wester reported on the sidewalks that Greg Caldwell reported that they are still working on

it and my hope is to have some movement by the next meeting. The beach access points, the northern most at San Juan we directed the county to add some sticks so people could not park golfcarts there. The county put up some poles and signage and noticed last week that one pole was removed and the signage was gone. He reported that today another pole was missing. Nathan Otter reported that someone driving a Vespa is taking down the poles and Deputy Tedder is going to be on the lookout. Unfortunately, we are going to have to put some cement bollards there now. Trustee Wester reported that he received some e-mails regarding the piling in the ocean at the county line and some have been eroded away but as the sand has migrated to that area there are times when you see them and asked the county to cut them down and or remove the ones that are unsafe. On September 5 there was an item before the County Commissioners for the 8.9 miles of Ponte Vedra Beach. They voted on a MSTU which you will see on your tax bill. The north part of the beach is three miles and the south part is about six miles. The discussion was to assign a millage rate and based on the state and the local contribution to almost the \$40 million. The task item that was voted on 4-1 at the County Commissioners meeting was to put forward a survey to all beach front residents to get their suggestions to the millage that for the north was .39 mills and for the south was .75 mills. They are almost 97% funded and are trying to make up for the difference of \$1.6 million backfall for the dredging project. One dredge from the hopper ship equals 166 truckloads. It will be a 24-7 project. There was a heated discussion about the difference in the millage rate but there is scientific evidence and it was presented previously how the areas are different. Vice Chairman Switkes asked is that millage for one year. Trustee White reported that it is a ten-year bond and the survey is going to list the maximum millage and depending on the actual cost the millage could decrease. Trustee Wester reported that they have 97% of the project funded. The next step is the survey for the residents. The north is from the county line to the last condominium. You can review the BCC minutes online.

TRUSTEE WHITE – CTTF / ROAD AND BRIDGE

Trustee White reported that from the CTTF meeting they are continuing to look at areas that need improvement. Regarding road and bridge we had a meeting scheduled with me and the county consultant Eisman and Russo to look at the lagoon and how you drain into it. The meeting was set for Wednesday that was hurricane day and we had to cancel it due to the county having other things of more importance. We have rescheduled it for Thursday and hope to sit down with them to see what drainage projects we can start in the MSD. Chairman Hollon reported that some years ago the county had some drainage done on the boulevard. Trustee White reported that there was one done in 2014 and 2017. My goal is to put some projects in the let us do them now bucket and the others in the one- or two-year bucket.

ATTORNEY REPORT – ATTORNEY FLOWERS

Attorney Flowers reported that he has nothing new to report.

UNFINISHED BUSINESS

JACK POPE POSITION – CHAIRMAN HOLLON

Chairman Hollon reported that he has met with various county officials several times and Commissioner Joseph has been very supportive of this position. We have made many suggestions to get this position through. The county is worried that they will get sued. Chairman Hollon reviewed his suggestions that he has made to the county. Attorney Flowers discussed the position with the county and they do want an employee but they do not want legal liability even though we have told them that we have liability insurance. We are working on trying to fill in this gap. Trustee Cellucci asked if we could raise the liability insurance for when they are on-site. Chairman Hollon reported that we are looking for someone to go inside with a check list and we can work with the county on what they can inspect. We will continue to work with them to get someone hired. Vice Chairman Switkes asked if their push back is boots on the ground. Attorney Flowers reported that it is the inspection. We even said we will let them know when the person is coming.

CONSIDERATION OF PONTE VEDRA CORPORATION'S PUD APPLICATION

Chairman Hollon reported that we have discussed this at the July meeting when Trustee Wester and Trustee Callaghan were absent so we passed this to another meeting. The PVIC had their workshop and met with residents. Even though we do not have any authority to approve or disapprove Chairman Hollon reported that he feels we should support this as the Inn and Club is the crown jewel of Old Ponte Vedra.

Vice Chairman Switkes asked if she is allowed to present letters that people sent her who are still at the zoning meeting? Chairman Hollon reported that he has three and he was going to give them to the secretary for the record. Vice Chairman Switkes respectfully disagrees and feels that this board should not make any motion on the approval or disapproval of the PUD. After what was seen today was nothing like what was presented to us at our meeting. Today they showed the real measurements and spoke with Attorney Flowers a few months ago and asked him if we had ever voted on a rezoning like this as a board and he said we have not. Vice Chairman Switkes reported that she does not think this is in our wheelhouse to make a stand on.

Trustee Callaghan reported that he agrees with Vice Chairman Switkes. He reported with the ARC voting down the PUD, and they are more knowledgeable regarding this, he thinks it is premature for the board to vote on something of this magnitude.

Trustee White reported he worked in real estate and understands what they are doing and the business reasons why. There is an extreme amount of confusion surrounding the process as people do not know what to do. People have called me and we had them contact Gate to set up a meeting and some of the affected parties have had multiple meetings with Gate and John Peyton. Gate has done a good job with addressing questions with truly affected parties. Trustee White reported that he has received multiple e-mails from people asking what he thinks. The theme is total confusion and misunderstanding as they do not know what a PUD is, or a variance. There is so much confusion because people are making broad statements about things that are not even in the application. Trustee White reported that he is torn with what Trustee Switkes and Trustee Callaghan reported as the PUD application is crystal clear with what they are doing. Unfortunately, people do not understand and are making statements and adding to the confusion. The applicant (PVIC) has gone out of their way to meet with anyone affected and answer questions. Trustee White reported that with the board making a statement, we are just adding to the confusion.

Trustee Wester reported that he has had a lot of questions. It is a very complex issue and he understands all the confusion with the zoning signs as they are threatening to see. The MSD is complex with an overlay and then you must go to the zoning and then to the BCC for the final vote. He reported that he watched some of it today and heard they reported that they are going to make more changes to the application before the next public hearing. He reported that he believes it is premature to vote with more changes to come. The Club is the cornerstone of the community and we should not vote at this time with more changes coming.

Treasurer Brown reported that having been in mortgage lending he believes the land is more valuable as residential than having a golf course.

Trustee Cellucci reported that it is going before the BCC in November and as an elected board we should take a leadership position. The club has been good to the MSD and they do a wonderful job and is a family legacy. Trustee Cellucci reported that he is in favor and we should approve the plan.

Trustee Wester asked if it is prudent that we vote tonight as he is on the fence as to where he stands. He thinks it would be better to vote between the PVZA and BCC meeting as then we will have all the information. Chairman Hollon reported that he is in favor of the application and believes the BCC will approve it.

Trustee Callaghan understands what everyone is saying tonight but there is a lot of confusion. He feels that if we vote for it tonight, we are creating more confusion for MSD residents. The residents are then going to want to know what we as a board see that they do not see. All the e-mails that have been sent to me are people that are not in favor of the PUD. It is up to GATE to stop the confusion. He reported that he does not understand why we are even voting as we do not have a say in this project.

Trustee Cellucci reported that we are supposed to be taking a leadership position as elected officials. You must pick a side and a lot of confusion will be cleared up if we take a position.

Vice Chairman Switkes asked Attorney Flowers if this is something in our Charter that we must vote on this matter. Attorney Flowers reported that no there is nothing in there but this board has been a sounding board for the community as a mediator between the residents and the county. The board has taken a position on other matters with the county but never on a rezoning issue. Vice Chairman Switkes reported that to Trustee Westers position they are still making changes.

Chairman Hollon read from the procedures manual part 3 on setting an agenda rule 4.303 consideration on actions of community concerns. Put it on the agenda, allow residents to express their views, and have discussion. The procedures manual states that the board can take action on any issues of community concern.

Trustee Callaghan reported that he does not think we should take a stand either way. Chairman Hollon reported that we can table it till next month when all the changes have been made.

CONSIDERATION OF NO PARKING ON SAN JUAN – CHAIRMAN HOLLON

Chairman Hollon reported that we will table this to next month.

NEW BUSINESS

HIRING OF LOBBYIST FOR PROPOSED CHANGES TO THE CHARTER

Chairman Hollon reported that Attorney Flowers has provided us with two proposals. Attorney Flowers reported that he sent the request for proposal to three reputable firms and received two back. One was from Lewis Longman Walker and Leif Consulting. If you do not have a lobbyist then these things do not go through the legislature. You have had a chance to review the proposals. Leif Consulting fee was \$50,000 and the Lewis Longman Walker was \$40,000 plus expenses with the expenses being capped at \$3,000. The local delegation meeting is in November. Chairman Hollon reported that we need to do this tonight as we missed the window last year. Chairman Hollon asked if anyone has any questions. There were none. A motion was made to accept Lewis Longman and Walker proposal for the charter review changes, it was seconded and unanimously carried.

INCREASING MSD CHARTER PROPOSED CHANGES IN RESERVE ACCOUNT FROM 25% TO 33 1/3%

Chairman Hollon reported that we have already approved the \$150,000 capital project and 25% of the budget. Trustee White asked when it comes to the capital project number can we set a hard number with a CPPI construction price index attached. This will help in 10 years when the hard number is irrelevant. Chairman Hollon reported that he is saying that a capital project based on the budget the floor is \$150,000 or 25% of the budget whichever is greater. Trustee White reported that if the budget were to go down to \$150,000 and the ceiling is 25% of the budget. Trustee White reported that the projects we are talking about are big ticket numbers. Chairman Hollon reported that they are but we cannot fund these projects by ourselves and need the county to participate. Vice Chairman Switkes asked that when we make changes to the Charter it is every ten years. Ms. Gleason reported that when you make changes to the Charter it is supposed to be a public hearing. Vice Chairman Switkes reported that our meetings are public hearings. Ms. Gleason reported that you can take that position but she does not agree. Mr. Pearson asked how many major projects you have done in the past 10 years. The answer was none. Mr. Pearson reported that he spoke with

Commissioner Joseph and she told me that the MSD does not need the \$150,000 for the sidewalk project. Trustee Wester reported that we have already vetted this at other MSD meetings. Mr. Pearson asked why are you now saying that you are going to do a \$200,000 project now with no public opinion as there is no vehicle to get a public opinion. Chairman Hollon reported that you are discounting that we have had meetings. Ms. Gleason reported that you are not getting the approval of the people. You let them get up and speak, sometimes answer their questions, sometimes do not answer their questions but you are not asking for their approval. Chairman Hollon reported that this is not our form of government. Ms. Gleason reported that it is in your Charter. Chairman Hollon reported that we have monthly meetings. Ms. Gleason reported that you have enumerated powers and you are pigeon holing this and it is unfair to the community and the people that are being taxed. Nothing in your charter says you can do drainage or a sidewalk.

Chairman Hollon asked if the board wanted to increase the contingency reserve account to 33 1/3% from 25%. Treasurer Brown was opposed, Trustee Wester undecided, Trustee Callaghan undecided, Trustee White was opposed, Trustee Cellucci is in favor to increase it, Vice Chairman Switkes was opposed. Chairman Hollon reported that we will leave it at 25%.

KEY DATES

County Commissioners meetings September 19th and October 3rd

MSD Final Budget Hearing September 20th PVB Branch Library – FOL room @ 5:30pm

Next MSD meeting will be October 9th at 5:30pm FOL room PVB Branch Library

ADJOURN

A motion was made to adjourn; it was seconded and unanimously carried.

Submitted, Ann Jurenovich, MSD Secretary