

MINUTES OF MEETING
BAY LAUREL CENTER
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Bay Laurel Center Community Development District was held on Tuesday, May 21, 2024 at 10:00 a.m. at Circle Square Commons, Cypress Hall, 8413 S.W. 80th Street, Ocala, Florida.

Present and constituting a quorum were:

Kenneth D. Colen	Chairman
Paul Brunner	Vice Chairman
William D. McLeod	Assistant Secretary
John Gysen	Assistant Secretary
Robert "Boe" Stepp	Assistant Secretary

Also present were:

George Flint	District Manager
Gerald Colen	District Counsel
Rachel Wagoner	District Counsel
Bryan Schmalz	BLCCDD
Crystal House	BLCCDD
Mary Anne Lynum	OTOW
Robert Szozda	GMS-CF

FIRST ORDER OF BUSINESS

Roll Call

Mr. Colen called the meeting to order at 10:00 a.m. and Mr. Flint called the roll. All five Board members were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Colen: Is there anyone who wishes to address the Board? No one addressed the Board so we will close public comment period.

THIRD ORDER OF BUSINESS

Notice of Meeting

Mr. Colen: The notice of the meeting was published in the Ocala Star Banner on September 24, 2023.

FOURTH ORDER OF BUSINESS

Approval of Minutes

A. February 20, 2024

Mr. Colen: Next item is the minutes of the February 20, 2024 meeting. Are there any corrections or changes to the minutes? I found none.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor, the Minutes of the February 20, 2024 Meeting, were approved as presented.

B. April 16, 2024

Mr. Colen: Are there any corrections or changes to the April 16, 2024 minutes?

On MOTION by Mr. McLeod seconded by Mr. Brunner with all in favor, the Minutes of the April 16, 2024 Meeting, were approved.

FIFTH ORDER OF BUSINESS

Acceptance of Utility System(s)

A. Sorrel Glen Phase 2

B. Longleaf Ridge Phase 6

C. Lift Station No. 4 Relocation

Mr. Colen: Can we do this as a single motion?

Mr. Flint: Yes, you have in the past.

Mr. Colen: Okay. Are there any questions on A?

Mr. Brunner: No.

Mr. Colen: Are there any questions on B, which is Longleaf Phase 6?

Mr. Brunner: No.

Mr. Colen: And then C is conditional acceptance of lift station 4 relocation. The condition is that we're back ordered until January, I think of this next year for a generator, but it's on order.

Mr. Brunner: That's the one over by the hotel, behind the hotel center.

Mr. Colen: Alright. What's your pleasure here? Do I have a motion accepting all conveyances?

Mr. Brunner: I would move we accept all three.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor, Accepting the Utility Systems for Sorrel Glen Phase 2, Longleaf Ridge Phase 6, and Lift Station No. 4 Relocation, was approved.

SIXTH ORDER OF BUSINESS

Ratification Items

A. Amendment No. 1 to Cooperative Funding Agreement with Southwest Florida Water Management District

Mr. Colen: Item A is cooperative funding agreement between SWFWMD and the District. This extends us for one year. Do you have any comment on that, Mr. Schmalz?

Mr. Schmalz: No, sir.

On MOTION by Mr. Stepp seconded by Mr. Brunner with all in favor, the Amendment No. 1 to Cooperative Funding Agreement with South Florida Water Management District Extending the Term of the Agreement for One Year, was ratified.

B. Series 2022B Requisitions #60 – #63

Mr. Colen: The next item is direct purchase material from Ring Power for \$359,989.97 for a generator, I believe. Yes, it is a 400-kw generator. I think there's another one from CAT. I think we can put those together.

Mr. Brunner: I think there's a couple of them in there.

Mr. Colen: Yeah. And then we have one from Spirac for \$201,084. I believe it was a control system and spare parts. Then the next one is Ring Power again for \$331,343.25 for the purchase of a 600-kilowatt generator set and Wharton-Smith to the tune of \$2,993,624.78. Let's separate it and just vote on the equipment. The first is Requisition 60 through 62.

On MOTION by Mr. Brunner seconded by Mr. Stepp with all in favor, the Series 2022B Requisitions #60 – #62, were ratified.

Mr. Colen: We'll take 63 separately it is Wharton-Smith for \$2,993,624.78. This is for work in progress to date. Just for a quick information about how much is left to complete, percentage wise estimate.

Mr. Schmalz: I would say we're approximately 70% complete. A lot of the structures are up, so it's a lot of flange piping, pump installations, a lot of equipment showed up on site. It's really a lot of what we call the finish work at this point.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor, the Series 2022B Requisitions #63, was ratified.

SEVENTH ORDER OF BUSINESS

Consideration of Quotations

A. Professional Piping Services, Inc. for Lift Stations Cleaning and Restoration to Maximum Flow Capacity

Mr. Colen: Next is consideration of quotations, Professional Piping Services for lift station cleaning and restoration to maximum flow capacity and Danus Utilities for lift station 15, rehab. Lift stations 13, 21, 23 and 24. Are you pigging these lines as well? What's the expected efficiency improvement from this work?

Mr. Schmalz: We expect it to bring it to original conditions at the site. The locations are Bridgewater Park, Publix and Walgreens with the Walmart shopping center which has the Taco Bell and Burger King and then as well as lift station 24, which is Sandalwood in Stone Creek. During construction, we had a lot of sand and rocks and debris being found in the station. So, through construction, we believe a lot of that is in the lines which is restricting some of the flows. This will clean those force mains to bring them to original conditions.

Mr. Colen: All right, is there any look back to Pulte for those conditions?

Mr. Schmalz: Not typically, because it's hard to pinpoint the exact location that it occurred at. What we find a lot of times, it's sanitary sewer laterals that are hit during construction. It rains, debris washes into the system, and then a plumber fixes it, moves on, and we just see the aftermath of it in the stations.

Mr. Schmalz: The cost is coming in at \$27,368.25. We budgeted \$36,300. So that particular line items coming in \$8,931.75 under budget.

B. Danus Utilities for Lift Station #15 Rehab

Mr. Schmalz: Danus Utilities, that is lift station 15, which is located on southwest 90th Terrace Road in Candler. Approximately 2003 is the construction year of that station, it didn't have a lot of flow for some time. But now with the growing area around it, we are having some degradation to the ductile iron piping in the concrete wet well, as back in those times, we didn't line the wet wells and we were still utilizing ductile iron piping instead of high-density polyethylene, like we do today. This would coat the wet well with a Raven 405 liner to protect that concrete structure and replace the riser piping from the pump bases all the way to the check valves in the valve vaults. That came in at \$64,325. We did budget \$60,000. So, we did go over budget on that line item by \$4,325.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor, the Professional Piping Services, Inc. for Lift Stations Cleaning and Restoration to Maximum Flow Capacity Quote and the Danu Utilities for Lift Station #15 Rehab Quote, were approved.

EIGHTH ORDER OF BUSINESS

**Consideration of Resolution 2024-04
Approving the Proposed Fiscal Year 2025
Budget and Setting a Public Hearing**

Mr. Colen: Resolution 2024-04 is approving a proposed budget for Fiscal Year 2025 and setting a public hearing thereof pursuant to Florida law addressing transmittal, posting, and publication requirements, addressing severability and providing an effective date. Who's going to speak to the budget?

Mr. Schmalz: First, I'd like to ask how the Board would like to go through this. We can go through the lines with a brief description or hit the major changes. It's completely up to you.

Mr. Colen: If it's acceptable to the Board, let's go by category.

Mr. Schmalz: Okay, so when we're going through it engineering, we had no increase to that line item from previous budget year. Attorney we reduced \$25,000 due to the completion of our water use permits, and that's all finalized. Salaries and wages increased based on hiring two additional employees and annual merit increases.

Mr. Colen: What's your current census of employees.

Mr. Schmalz: For field employees we're sitting right at 19 field employees, or 36 total employees roughly right now with adding two additional.

Mr. Colen: How many more trucks does that add?

Mr. Schmalz: We'll be adding two additional trucks, which is included in the budget this year as well.

Mr. Colen: Go ahead.

Mr. Schmalz: Other salaries and wages, no increase. Unemployment, no increase based on historical, payroll taxes increase based on historical and bringing two additional employees in service, pension contributions increased by 15,000. Other personnel costs was no increase. Education and training was no increase. Uniforms, we increased by \$5,000 due to our three-year contract expiring and adding additional employees. Workers' compensation, no increase based on historical. Health insurance, health insurance is the name of the category but includes all of our insurance that increased by \$110,000 based on projections received by the vendors. We're

looking at 10% from Blue Cross and Blue Shield alone. Communications, no increase based on historical. Administrative costs increased based on historical by \$10,529. IT, this increased by \$35,276 based on recommendations from IT Vendors. Postage is no increase. Rentals and leases increased based on our lease agreement. A big one was insurance, which covers our property insurance that increased by \$450,000 based on acquisition of Water Treatment Plant No. 3 and then bringing on the North Water Reclamation Facility. And then we're adding the master regional lift station and additional lift stations coming in service causing a substantial jump there. Operating supplies we had no increase there. Electricity, that was another substantial increase by \$293,000. That's based off bringing the North Water Reclamation Facility online. Lift station 40, which is the regional lift station has (4) 100 hp motors that will be transferring all of the flow from the existing community to the new plant. And then lift station number six is being upgraded to (4) 75 hp pumps from the 15s that are currently in service there.

Mr. Colen: The pipe diameter can handle that?

Mr. Schmalz: Yes, sir. We have a twelve-inch force main coming from lift station six, manifolding, if you will, to a 20-inch force main which then will discharge to the regional lift station, lift station number 40, and then a 24-inch force main the flow goes through to the main plant. Office rental increase based on lease agreement, vehicle repairs based off historical and additional vehicles, plant mechanical repair we actually decreased this line item because with the North Water Reclamation Facility coming online, the equipment is under warranty for one year. So we don't expect to have failures that we're having expenses related to. Generator service agreement no increase as we have a three-year customer service agreement with them. Fuel no increase. Repairs, distribution and collection this is increased.

Mr. Colen: No increase in fuel costs. Why is that?

Mr. Schmalz: Just looking at where the projected line is that we're going to land, we're going to fall approximately \$15,000 under budget from what we currently had last year. So due to that, we didn't feel there was necessary for an increase.

Mr. Colen: Thank you for clarifying.

Mr. Schmalz: Repairs, distribution, and collection this is increased due to expanding service area and historical. Mowing, this is an increase due to the North Water Reclamation Facility coming online, including an 80-acre RIB site, RIB standing for rapid infiltration basin. Chemicals and supplies we actually were able to decrease this by \$25,000 due to converting

Water Treatment Plant No. 1 to sodium hypochlorite for disinfection instead of the chlorine gas. And then when we bring the North Water Reclamation Facility online, we will be going away from gas at our current facility to sodium hypochlorite at the new facility so it's more cost effective. Laboratory and testing this increased by \$40,000 due to increased testing requirements related to bringing the North Water Reclamation Facility online. FDEP requires daily total suspended solids and fecal coliform testing for one year when starting a new facility, I explained to FDEP we are going from pinto to a Cadillac and it's the same personnel doing the job. Are we able to get a waiver? And they would not. So, we will work with them to see if we have other alternatives.

Mr. Colen: How are you handling weekends? Because they're not open on weekends.

Mr. Schmalz: Yes. We would have to pay employee overtime and lab overtime fees. We've been working with Aqua Pure Water and Sewage Services, our typical laboratory. And due to the cost, they now have determine that they won't be working weekends. So, we would have to drive to Gainesville to Advance Environmental Laboratories, the nearest lab that would be open. We would have to pay additional employees to come in and be a sample courier on the weekends.

Mr. Colen: You can't sequester them for 24 to 48 hours, refrigerated?

Mr. Schmalz: No. The problem is the sample you collect on Friday has a 24 hour hold time, so it would be invalid. The same with the one collected on Saturday. We are working with the lab and DEP to look at what in house testing we can do that they will accept in lieu of the requirements.

Mr. Colen: The coliform test kits that I think indirectly test for the presence of coliform.

Mr. Schmalz: Correct.

Mr. Colen: Are those allowed?

Mr. Schmalz: That's what we're working with them to determine currently, yes, because we do have a nice laboratory now that we have the space for that. So we're looking at doing the fecal coliform presence absence test as well as a TSS test. We're trying to find out which ones that they will accept us doing in house without having a certified laboratory. It's been done before, we're just working through those processes and what they're exactly looking for. We will have the expenses of buying the equipment and then obviously the testing kits for that. This

number wouldn't go down, but it would allow it to be a little more cost effective on the labor side.

Mr. Colen: An employee in a truck going 100 miles round trip every day.

Mr. Schmalz: Correct. For three days?

Mr. Colen: For three days?

Mr. Brunner: For a year.

Mr. Schmalz: Next item would be sludge hauling, this increased by \$190,320. It was wonderful having our own biosolids land application site for all these years but now that the new facility is coming online, that will be going away and our biosolids will be transported off site to a landfill. So that's what those transportation, hauling fees and tipping fees at the landfill are costing. Nonrecurring, there was no increase there. Small tools, no increase. The biosolids disposal, this was related to the lease agreement with On Top of the World. We decreased this line item based off removing the 110-acre biosolids application site. Dues license and subscriptions, this was increased based on being a DEP license renewal year.

Mr. Colen: Hold on a minute. You're still going to have biosolids disposal until the plant comes online, correct?

Mr. Schmalz: Correct. That includes that. What we're looking at is four months of this budget, approximately. The plant is supposed to be coming online early January.

Mr. Colen: Wow.

Mr. Schmalz: We're looking October to January. We considered that we're going to continue paying for that 110-acre lease agreement and then from February to September that would come off. So it is prorated in the budget. We had to do that as well with the chlorine gas at the existing facility and prorate with the new facility coming online. Again, the dues license, subscription as it is a license renewal year for DEP so that typically goes up. Refuse is increased for additional dumpsters at the North Water Reclamation Facility and Administration building. Safety, that's remaining the same with no increase. The SWFWMD Bay Laurel CFI program, this was decreased based off remaining funds associated with this multiyear project. Then we also have the turf replacement program, no increase there. As far as the turf replacement program, we were able just to look at our first year of true water savings with that program. We saw on average right at 30% water savings for the participants who reduced turf grass in their yard and increased the size of the shrub beds. The next major areas is renewal and replacement.

These line items as far as the water treatment plant, miscellaneous pump motor repairs and replacements, this is to cover the large expenses related to pump motor failure. Example, what we're finding more and more today is it's more inexpensive to purchase a new motor than to have it repaired. We're finding, as an example, that a 150 hp motor the other day went down. We sent it in to get repaired and it's right at \$17,000 for repairs or \$19,000 for a new motor. We see that a lot these days. That's why we're continuing to carry that line item the same with the water treatment, miscellaneous valve repairs and replacements. We have meter replacements, this increased as we increase our water meters in our service area. We have to continue to maintain those. GIS program, this is an ongoing item every year we continue to add as the service area grows, we continue to add those utilities into our GIS.

Mr. Colen: Who is doing the GIS work?

Mr. Schmalz: Kimley Horn. Distribution and collections warehouse, this is for the construction of what we are calling the D&C Warehouse located at the existing South Wastewater Treatment Facility after we demolish that facility.

Mr. Colen: Does that include the demolition?

Mr. Schmalz: The price that's in the distribution and collections warehouse does not include demolition because that is included with the scope of Wharton-Smith on the current project.

Mr. Colen: So that's already covered.

Mr. Schmalz: Yes, already taken care of.

Mr. Colen: And what was your basis for determining the cost? How big is the building and what is the type of construction?

Mr. Schmalz: We haven't actually determined either one of those. We are looking at tilt up walls and also looking at the metal buildings with the split face blocks, similar to what we have constructed in the past. We have been working with Wharton-Smith, touring some of the facilities that they recently built, and also working with Kimley Horn based off a conceptual drawing and that's the numbers that was estimated. It is absolutely very loose and subject to change.

Mr. Colen: You're going to seek proposals, bids for this work?

Mr. Schmalz: Yes, sir. We will have to do a request for qualifications for the engineer as well as the contractor on this due to the size of the project. Now, the funds are intended for this

project to be funded out of the remaining funds of the Series 2022B bonds due to the additional grant monies received by the District. Redundant control systems for high flow lift stations, due to the scrutiny from DEP, they are tightening down the penalties associated with sanitary sewer overflow events. What we've been doing over the years is putting in a redundant control system that if the main computer that operates that lift station fails, a redundant control system will still start, engage the starter and pump the station down and prevent sanitary sewer overflow. All of our lift stations come prebuilt with that now. We're going back and retrofitting these in our existing stations. That's a two-year project, two years remaining, I should say. So, this will be on the R&R budget next year. Emergency bypass pump, as the District has continued to grow in the size of a number of lift stations, as well as the size in gallons per minute, it's very difficult for us to carry a 400-kw generator around for backup. What you typically do when you have large lift stations the size of what we have now, which are lift station 6 after it's been upgraded and the regional lift station 40, instead of having a large backup generator in case your main generator goes down, you have emergency bypass pumps and they can handle typically around 2,600 gallons per minute. As an example, we have two connection points. We're able to put two backup pumps in those stations to keep it flowing. The regional lift station is designed to pump 6,000 gallons per minute reliably with a pump out of service. We definitely want to be able to continue pumping in the event of a system failure.

Mr. Colen: Will those still have the backup power?

Mr. Schmalz: All of the lift stations will continue to have the backup generator. Even in those large stations we designed them to have two control panels independent of one another that way if one control panel fails, your other control panel can still function and operate half the station. We always have to look at worst case scenario, if we lose power, our control panels, pumps go down, we have a major surge or lightning strike and we lose a lot of our major equipment we can then pull the emergency bypass pump in there to keep that station flowing and at 6,000 gallons per minute, that's going to be a mess real fast. All of the storm drains in the area will be filled up with sewage relatively quick. We have an existing emergency bypass pump that we maintain and have on hand in the event that's needed. But due to our size and growth and capacity stations, we really need two.

Mr. Colen: Okay, so you have, the scenario is you have alternating pumps, multiple pumps.

Mr. Schmalz: Yes.

Mr. Colen: Independent panels.

Mr. Schmalz: Yes.

Mr. Colen: So if one goes, the other one can take over and failing everything, you get a direct hit that wipes it all out. Then you have bypass pumps.

Mr. Schmalz: Yes sir. Redundancy on redundancy,

Mr. Colen: That's double redundancy. And that's just on, on the regional lift station?

Mr. Schmalz: Yes. We can use it wherever needed. These bypass bumps can be moved wherever needed. The primary need for these would be at lift station 6 as well as the Regional lift station 40. Lift station 6 each pump is designed to do 800 gallons per minute. You're looking at 2,400 gallons per minute. That is what is designed reliably with one pump out of service whereas the regional lift station is designed at 6,000 reliably with one pump out of service.

Mr. Colen: Thank you for clarifying.

Mr. Schmalz: Force main, as you just approved this year's force main pigging, this is a continuing line item that we have for repairs and maintenance within the collection system as well as the manhole rehabilitation. As we have aging infrastructure and as we're doing our inspections, we're finding bench work that needs to be done, lining that needs to be repaired inside manholes and at times the ring and covers need to be replaced as well. We find a lot of our manholes that receive flow from downstream lift stations, the ring and cover is rusting at an accelerated rate and making it difficult to access. We've now replaced those with composite manholes so we don't have that rusting issue there anymore. Onsite emergency generator repairs, we currently have, I believe, 47 generators. So that's a pretty large item. Fuel injection pump, as an example, costs almost \$5,000 on a generator. So this is just a running line item that we have for repairs on those generators as large repairs. As far as the pump, motor repairs and replacements for wastewater collection and wastewater treatments, it's the same as what we discussed on water treatment. It's just categorized out to individual areas. Then we have the North Water Reclamation Facility spare parts. When bringing a new facility online, you'll discover the weak points in the process real fast. Mother Nature normally does that through lightning strikes. This will allow us to have a line item of \$50,000 in the budget. Once we have the facility online and running, we can identify what those weak points are and make sure we have spare parts for that. We didn't do that for Water Treatment Plant No. 3 when we brought

that online and we found ourselves robbing Peter to pay Paul, taking parts off of one well to get another well up and running because all three of them got hit at once. We learned it's good to have that line item for that initial year to determine what your weak points are.

As already discussed, new employees, we need new trucks as well. So those are for two F350s. That's based off the state bid program that we utilize through Duval Ford. The customer service and administration building, so our existing leaseholder needs us to vacate our property and find a new place to live. The District is in the process of working with Colen Built to construct what is being called Water Treatment Plant No. 4 Administration Building. But it will be the customer service building that we currently have replacing the location in the town center.

Mr. Colen: I think you have to bid that construction

Mr. Schmalz: Right now, we're buying it after completion of construction. So, Colon Built owns the property, is building the structure and doing the work, and then we will purchase the property at the end of construction, subject to appraisal.

Mr. Colen: Alright, thank you.

Mr. Schmalz: Server replacements, IT recommends replacing our servers every five years. Security risk audit, that's due to the increasing cybersecurity risk, making sure that we have a strong system in place and preventing attacks. Then computer replacements as well, IT recommends replacing our computers every five years, so that's our running line item that we have in our budget. And that's all I have for the budget.

Mr. Colen: Any questions.

Mr. Flint: On insurance I would just mention we are soliciting another bid for that. He mentioned this significant increase, so we're working on a second proposal for insurance.

Mr. Colen: This is just a proposed budget. We have the resolution accepting the proposed budget and setting a hearing date of August 20, 2024. So there will be changes between now and adoption.

On MOTION by Mr. Gysen seconded by Mr. McLeod with all in favor, Resolution 2024-04 Approving the Proposed Fiscal Year 2025 Budget and Setting a Public Hearing, was approved.
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NINTH ORDER OF BUSINESS

Review of Proposed Changes and Updates to District's Policy Manuals and Authorization to Set a Public Hearing

Mr. Schmalz: There are not many changes within the documents. We did provide a redline version of the document, hopefully for easier review. You don't have to read the entire policy. I know counsel does have two recommended changes that they've communicated with me, so they were more grammatical in nature. So, we will address those items in the final rendering. The items that we are looking to change do affect uniform extension and uniform service policies. It's primarily related to the process of transferring service from the developer to the new residents. So currently, the District will not transfer services until we have received the Florida Water Star certification and the developer has passed all the requirements outlined in our policy regarding irrigation inspections. As you're well aware, it's important for the District to conserve water and ensure that the developers are constructing the homes and giving our residents the tools to be successful immediately. That's why we have these items in place. The issues that the developer is running into is the length of time it takes to sometimes get the homes Florida water Star certified, as well as the irrigation inspection items resolved. As you have different vendors and contractors, sometimes there's some things that are lost in translation. The developers are working diligently to make sure they're meeting all of our requirements. But we found in some areas, because the residents aren't having to pay a water bill, they're being difficult in scheduling those Florida Water Star inspections because it benefits them to not have their house transferred out of their developer's name into their name. We have modified the language to basically transfer the home into the resident's name from the developer. The developer has 180 days to bring that home into compliance with our standards meeting the Florida water Star standards and the irrigation requirements. If the developer does not meet those standards and bring the home into compliance with our requirements, the district, will not allow any more service connections until that property has been corrected. So it entices the developer to correct that home prior to ever coming to that point.

Mr. Colen: Correct me. But if it transfers to the owner and the owner is not cooperative, what option does the developer have?

Mr. Schmalz: That would be up to the developer in their language of their contract, I would assume is the best way to control that. This was presented to the District from a developer. They asked that we come up with a different alternative. The District needs something to hold the developer responsible, or something to make sure that they comply with our requirements. That was what was discussed ultimately agreed upon about the parties during that meeting.

Mr. Stepp: Bryan, the 180-day timeline that was proposed by one of the developers?

Mr. Schmalz: 180 timeline was actually proposed by the District. They did come out and say, 30 days, but I do look at it as some things do take longer than 30 days. If you're having issues getting the Florida Water Star certification and you haven't hit that 30-day requirements, then I'm not allowed to set any more water meters for that developer. If we use On Top of the World as an example of that, if we have to stop setting water meters for a month that could be 60 meters. Then when they finally fix the problem, now District staff has to go set 60 water meters immediately. It backlogs a lot of work for the District team to have to then go out there and set those meters very fast. We also have to police the water to make sure that contractors aren't stealing water and things of that sort if they don't have a water source on the property. The 180 days was proposed by me during this because I wanted to give them ample time to secure the Florida Water Star certification as well as make any necessary repairs and so that was how that was established.

Mr. Stepp: Do I understand you correct that that timeline is beyond what the developer asked for?

Mr. Schmalz: Yes.

Mr. Stepp: Okay, so my second question, Bryan, is, so it says in the preamble, all new construction shall be, and then it goes on to lay out all of these provisions. What triggers the new construction on an existing residence prior to the water star mandate? Is there a certain percentage of repair that throws an existing residence into this category as well, or once it's gone, it's gone through.

Mr. Schmalz: The Florida Water Star certification is required on , anything from when this was originally established, which was in 2021, November approximately. Since 2012, the District has had irrigation requirements that have increased to more stricter standards as the need has shown itself. So as an example, a resident that does any modification to their irrigation or landscaping has to come into compliance with the current standards. It is very difficult for the district team to police that because the resident doesn't come to Bay Laurel and put in a modification request. We do work closely with the HOAs with On Top of the World and Stone Creek, more On Top of the World than Stone Creek, I'll say that, in making sure that we're trying to meet those standards, but we don't have really a policing action for existing homes to ensure that they don't change or do anything incorrect to these standards. That's why we try to make sure they're set

correctly from the construction standpoint. When the permits are pulled for the property, that's the trigger mark for what set of standards you have to meet when there's a change. But we felt this was a compromise. The District still feels that we have something to hold the developer responsible, bringing that home into compliance. But as you mentioned, Mr. Colen, I would recommend that the developer adjust their language in the contract. I'm sure there's something already written, but I would recommend that it is considered in new home contracts, because if my understanding is correct, the residents are saying they're not available for them (contractors) to be let into the backyard to fix the irrigation. We're seeing a lot of fences out there, and the fences are coming all the way up to the road, and you can't access the irrigation controls to fix the master valve or replace the rain sensor, and there's no gate and it's locked. We are seeing that more and more often, specifically in that area where the residents are just really refusing to comply, it appears. And of course, we're not changing the accounts over into their names, so they have no real benefit to complying with their developer.

Mr. Colen: Well, just commenting, I don't think this solves that problem, but we'll talk more since this is just a draft thing. What is ARS?

Mr. Schmalz: Adopted rate schedule.

Mr. Colen: Okay. I suggest you spell it out.

Mr. Schmalz: It is at the very beginning of the document.

Mr. Colen: Okay, because I was trying to find it and I could not find it.

Mr. Schmalz: But we'll absolutely confirm that it is.

Mr. Colen: Yeah.

Mr. Schmalz: Typically we, we will define it at first. If there's not an acronym section specifically, we'll define it as first use.

Mr. Colen: I'm referring to page 49 of the uniformed service policy, very top paragraph.

Mr. Schmalz: Yes, we would have defined it much further early on within the document.

Mr. Colen: Alright. Does this require any action?

Mr. Flint: Yes, there will need to be a motion to set a rule and rate hearing.

Mr. Colen: Okay.

Mr. Flint: Are we doing it in conjunction with the budget or are we doing it sooner?

Mr. Colen: I would imagine August 20.

Mr. Schmalz: We absolutely can. It's at the Board's discretion. The developer that presented this to us to wanted to have this discussion wanted it done sooner than later. We do have a meeting scheduled, the July meeting, we would be able to meet the timelines for notification. But if the Board would rather do it in line with the budget of public hearing, we absolutely can do that as well.

Mr. Colen: Probably better to separate it and do it a little earlier. If we see that it's running longer you give us a flag it's running longer. We can always make adjustments, I think we notice, correct, counsel?

Mr. Flint: Yeah, it's a 29- and 28-day notice.

Mr. Colen: We have to know really by the 1st of June for a July hearing. So that doesn't leave us any time.

Mr. Schmalz: Yeah, looking at it, we have a June meeting scheduled, but the 28, 29-day window for notification, we wouldn't be able to do it from today. We already have a July meeting scheduled. That would be our next earliest meeting that's already scheduled.

Mr. Colen: Alright, very good.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor, the Proposed Changes and Updates to District's Policy Manuals and Authorization to Set a Public Hearing for July 16, 2024, was approved.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Flint: Alright. Staff Reports. Is there anything from District Counsel? Hearing none,

B. Utility Status Report

Mr. Flint: Bryan?

Mr. Schmalz: I don't have anything further.

C. District Manager's Report

1. Approval of Check Register

Mr. Flint: You have the Check Register. The detailed register is behind the summary. February is \$1,181,518.09. March is \$1,061,379.18. April is \$1,092,344.20. For a total for the February 1st through April 30th of \$3,335,241.49. I believe that a motion is in order to accept the check register.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Check Register for February, March, and April totaling \$3,335,241.49, was approved.

2. Balance Sheet and Income Statement

Mr. Flint: You have the Unaudited Financial Statements. If there are any questions, we can discuss those. No action is required. Hearing none,

3. Presentation of Number of Registered Voters

Mr. Colen: The letter of April 15, 2024, stating that their record indicates there are 0 active registered voters within the boundary of the development.

4. Designation of November 19, 2024 as Landowners' Meeting Date

Mr. Colen: Then we have November 19 meeting as the landowner proxy. Is there any action that needs to be taken on that?

Mr. Flint: Yes, the District Board, all five members are elected by landowner election. You have three seats that whose terms expire in November of this year, and that is seat 4, occupied by Mr. Stepp, seat 5 by Mr. McLeod, and seat 2 by Mr. Gysen. So, you will need to set a landowner meeting sometime during the month of November to hold the landowner election. We're recommending November 19 for the landowner meeting. The motion would be to designate November 19 as the landowner meeting date would be in order.

Mr. Brunner: It's a Tuesday again?

Mr. Flint: Yes, it would be the regular time that the Board would meet.

On MOTION by Mr. Stepp seconded by Mr. Brunner with all in favor Designating November 19, 2024 as the Landowners Meeting Date, was approved.

ELEVENTH ORDER OF BUSINESS

Other Business

Mr. Colen: Do we have any other business? Hearing none, the next item followed.

TWELFTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Colen: Do we have any other Supervisor's requests? Hearing none, the next item followed.

THIRTEENTH ORDER OF BUSINESS

Next Meeting Date – June 18, 2024

Mr. Colen: The next meeting is June 18, 2024. Do I have a motion to adjourn?

FOURTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman