

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 20, 2025 at 10:00 a.m. at Circle Square Commons, Cultural Center, 8395 S.W. 80th Street, Ocala, Florida.

Present and constituting a quorum were:

Kenneth D. Colen	Chairman
Paul Brunner	Vice Chairman
John Gysen	Assistant Secretary
Robert "Bo" Stepp	Assistant Secretary

Also present were:

George Flint	District Manager
Gerald Colen	District Counsel
Rachel Wagoner	District Counsel
Bryan Schmalz	BLCCDD
Crystal House	BLCCDD
Sarah Burgess	BLCCDD
Pam Peckham	Resident

FIRST ORDER OF BUSINESS

Roll Call

Mr. Kenneth Colen called the meeting to order at 10:00 a.m. and Mr. Flint called the roll. A quorum was present.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Kenneth Colen: We're going to open the floor for public comment. If anyone wishes to address this Board, please come forward. Mr. Flint, do we have a time limitation?

Mr. Flint: It's normally three minutes.

Ms. Pam Peckham: This will be very short. My name is Ms. Pam Peckham and I live in Stone Creek. I'm a member of the Stone Creek Water Conservation Group and I want to publicly thank Mr. Bryan Schmalz for all of his efforts to help educate our community about water issues. We thank him for his support.

Mr. Kenneth Colen: Thank you.

Mr. Flint: Thank you.

Mr. Kenneth Colen: Is there anyone else who wishes to address this Board. If not, I'll close the Public Comment Period.

THIRD ORDER OF BUSINESS

Notice of Meeting

Mr. Kenneth Colen: The meeting was duly noticed in the Ocala Star Banner on September 27, 2024.

FOURTH ORDER OF BUSINESS

Approval of Minutes

A. February 18, 2025 Meeting

Mr. Kenneth Colen: Next is the approval of the minutes of the February 18, 2025 meeting. Are there any comments or corrections to the minutes as presented?

Mr. Brunner: I found nothing.

Mr. Kenneth Colen: That confirms what I found, nothing. Alright, we need a motion accepting the minutes of the February 18th meeting.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Minutes of the February 18, 2025 Meeting were approved as presented.

FIFTH ORDER OF BUSINESS

New Business Items

A. Consideration of Proposal from Team Alert for Emergency Monitoring Services

Mr. Kenneth Colen: The next item is the consideration of a proposal for Team Alert emergency monitoring services. Who is going to address that?

Ms. House: Ms. Crystal House, Office Manager. In the utility industry, employees may frequently find themselves in tense and emotional charged situations, especially dealing with service disconnections. Service disconnections often provoke strong emotional responses, particularly from customers experiencing financial stress and those who feel that the disconnection is unjust. In these moments, having a reliable safety measure is critical. Panic buttons provide immediate access to help during volatile encounters. Whether it's a customer who refuses to leave the lobby, makes verbal threats or displays aggressive behavior, the response time is everything. The District has the opportunity to implement the Team Alert system, which offers flexibility on how these alerts are delivered. Staff can receive notifications

via their computer, mobile device, email, text and audible phone call. This ensures that every team member is reached through their preferred communication method, allowing for immediate awareness in any action or emergency. Team Alert also comes with no binding contract. The District can cancel at any time with a 30-day written notice and no cancellation fees, providing the District flexibility and peace of mind. As we continue to grow in customers, in an industry where employees routinely face stressful and unpredictable customer interactions, these types of safety measures are not just protective, they are essential. I am recommending that the Board consider moving forward with Team Alert, as these types of safety measures can help empower employees to perform their duties with confidence, help deescalate potentially dangerous situations and ensure that the public is treated respectfully and safely. Most importantly, they position the District as a responsible, responsive and forward-thinking organization. I would thank you in advance for your consideration to this request.

Mr. Kenneth Colen: Are there any questions?

Mr. Brunner: I have one quick question. You have 34 devices at 34 locations in addition to the front office. Does this put something like this in the hands of the field folks or is it all within the new building?

Ms. House: There are technically 37 devices and it's on all everybody's cell phones.

Mr. Brunner: Okay.

Ms. House: So that's what it's going to be geared towards.

Mr. Brunner: There are also panic buttons for the front desk. I believe it's under the desk.

Ms. House: Yes. We are looking for panic buttons. The actual hardware is not in this quote. The hardware is going to be an additional \$950, for a one-time purchase. We are looking for six hardware buttons to where the front of house would be able to signal out, should any kind of emergency arise.

Mr. Brunner: Gotcha. Thank you.

Mr. Flint: Do you have a protocol for dealing with such emergencies, currently?

Ms. House: At this time, we have not had situations where we've had to contact the cops to trespass people. We've have had to ask people to leave the premises. We do have protocol for staff. Unfortunately, if it starts to get loud in our lobby when we move to the new location, I will not be able to hear it. So, this will alert me or Sarah, if something is going on in our lobby.

Mr. Kenneth Colen: It's a judgment call of whether or not to call law enforcement?

Ms. House: Yes.

Mr. Kenneth Colen: Okay. Is there a way on this device to go directly to law enforcement?

Ms. House: Yes. The buttons that we are looking for, are two buttons. The first button can actually alert certain Supervisors. The second button goes directly to 911.

Mr. Kenneth Colen: Is there an initial cost for the system and a software cost?

Ms. House: The initial investment is \$603.15 and a monthly cost of \$350.15. The hardware, which is not included on this quote, we're looking at about a \$950 one-time fee.

Mr. Kenneth Colen: So, its \$350 a month to maintain this software?

Ms. House: Yes.

Mr. Kenneth Colen: Have you looked at alternative systems?

Ms. House: I have. I have not come up with anything that is comparative. I can keep looking and researching.

Mr. Kenneth Colen: Yeah. Are there any other utilities that use this particular software that you can reference?

Ms. House: Not other utilities, no.

Mr. Kenneth Colen: Any other companies?

Ms. House: I do believe that On Top of the World (OTOW) was using Team Alert. That was the recommendation when we first started with them. We've been talking to them for the last two years. I do not know if OTOW still uses it, though.

Mr. Kenneth Colen: Yeah, I'm unfamiliar with that, strangely enough and sometimes I'm the last guy to know anything. Alright, I'll look into that. What's your pleasure? Continue research or a motion to approve?

Mr. Brunner: Since there's past usage on it and proven usage on it, I would approve it.

<p>On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Proposal from Team Alert for Emergency Monitoring Services in the amount of \$603.15 and a monthly cost of \$350.15 was approved.</p>

B. Consideration of Copier Lease and Retail Order with Document Technologies

Mr. Kenneth Colen: Okay, next item.

Ms. House: I'm going to be up here for a while.

Mr. Kenneth Colen: Are you currently with Kyocera?

Ms. House: We are.

Mr. Kenneth Colen: I thought so. Is this for a new building?

Ms. House: Yes.

Mr. Kenneth Colen: Okay. What's happening to the ones that you currently have? You have more than one?

Ms. House: We currently only have one.

Mr. Kenneth Colen: Okay.

Ms. House: Yeah. Our new administration building is set to open in August of 2025, which will triple our current workspace. With this expansion, it's important to ensure that equipment like copiers match the scale of the operation. Placing the second copier near the staff areas, will significantly improve operational efficiency and workflow. Having one copier centrally located for the front of house staff and one for the back of house staff, will reduce time spent walking the building or waiting to access the single machine. This small investment will support the larger growth of a smooth and efficient transition into our new space.

Mr. Kenneth Colen: It is \$95 a month?

Ms. House: Yes, sir.

Mr. Kenneth Colen: Alright. I see they provide some supplies, including ink.

Ms. House: Yes, sir.

Mr. Kenneth Colen: Wow, that's pretty good. Because I'm of the opinion, you buy the printer and they make their money selling you the ink. It is so expensive. Okay, what's your pleasure, Board? Are there any questions? Hearing none,

On MOTION by Mr. Gysen seconded by Mr. Brunner with all in favor the Copier Lease and Retail Order with Document Technologies in the amount of \$95 per month was approved.

C. Consideration of Lease Agreement with Pitney Bowes for Business Solutions Software

Mr. Kenneth Colen: The next item is a Pitney Bowes Lease Agreement. What do you currently have?

Ms. House: We currently have Pitney Bowes. The lease that we have is up for expiration.

Mr. Kenneth Colen: Okay.

Ms. House: It is the Pitney Bowes inserter and a Pitney Bowes postage machine, that we currently have.

Mr. Kenneth Colen: Okay. Are you increasing the capacity of what you have now?

Ms. House: Not increasing the capacity. We're actually fine with the machines that we have. Once the lease is executed, we would have two new machines for the lease. With the growing mail that we're having and the continuous leak letters and stuff that we're sending out, we do need to have the capability to have these equipment. I did look at both the 36-month lease and a 60-month lease and I am recommending the 60-month lease, to be able to lock in the rate. However, we do have a 36-month term available to the District. The monthly amount would be \$665.07 compared to the \$507.07 that you're looking in your agenda for the 60-month lease.

Mr. Kenneth Colen: Thank you for that. Currently, you run with one now and you're going to two?

Ms. House: No, we have one postage machine and one inserter.

Mr. Kenneth Colen: Alright. So, this replicates that one postage machine and one inserter.

Ms. House: Yes.

Mr. Kenneth Colen: Understood. Thank you. Alright. What's your pleasure? How old is your current machine?

Ms. House: It's going on four years.

Mr. Kenneth Colen: Four years. When is the lease up?

Ms. House: It's up in October.

Mr. Kenneth Colen: October. Okay. Alright. What's your pleasure? Are there any questions?

Mr. Brunner: We should move forward.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Lease Agreement with Pitney Bowes for a 60-month lease for Business Solutions Software was approved.

D. Consideration of Master Services Agreement with RingCentral, Inc. for RingEx Services - Added

Mr. Flint: We added the RingCentral agreement that Bryan passed out.

Mr. Kenneth Colen: Oh, okay. Who is going to address that?

Ms. House: I am. The District currently uses Cox Communications as our phone service provider. We currently pay an average monthly cost of approximately \$950 to \$1,000. However, over the past couple of years, the reliability and the performance of the service has deteriorated significantly. We've been informed that there are not enough trunk lines available to adequately support the District's communication needs. We are unable to add additional lines or bandwidth. This limitation has created a frustrating environment for both our staff and to the public, especially during peak periods of high call volumes. On numerous occasions, our phone system has been overloaded and has gone completely offline, resulting in disconnected calls and hour-long service outages. These interruptions have directly impacted our ability to communicate with customers, particularly during time sensitive situations such as utility disconnections. When the customers are unable to reach us by phone, it often leads to escalated interactions in our lobby. Some of you have personally experienced these challenges of trying to reach either myself or staff during these outages. As our District continues to grow, it is imperative that we implement a communication system that is scalable, secure and reliable enough to meet the current and future demands. RingCentral offers a modern cloud-based communication platform that addresses our current challenges and provides a number of additional benefits. As a cloud-based solution, RingCentral can grow with the District without the need of additional trunk lines or physical infrastructure, by providing a call queue system to manage high call values effectively, ensuring the customers wait in line rather than repeatedly calling in frustration. The advanced analytics and reporting tools will help us track and manage communication preferences. We will have access to webinars, conference lines and other tools to enhance communication both internally and externally. While the initial cost may be similar, the long-term savings are notable. As our current hardware reaches the end of life, the District can transition to softphone technology, allowing calls directly from browsers, desktop applications or even smartphones, eliminating the need for future hardware purchases. Our existing hardware is fully compatible with the RingCentral platform, meaning that no additional investments are necessary to get started. Given the urgent need to improve our phone system and the benefits that RingCentral offers, both the District's IT provider and I strongly recommend, that we move forward with transitioning to this cloud-based solution. This upgrade will not only resolve our ongoing communication issues, but will also position the District for continued growth and improve customer service.

Mr. Brunner: Two quick items, Crystal. I can attest to the that fact that more often than not, if I call in and try to get to a specific extension, I cannot get through.

Ms. House: Yes, sir.

Mr. Brunner: So that means I usually have to go to Sarah's cellphone or you know, something like that. So just on that alone, it's a good idea, I think. The other looks like a reduction in the monthly cost.

Ms. House: Yes, sir.

Mr. Brunner: So, I would suggest we move forward with it.

Mr. Kenneth Colen: There's an indemnification clause on Page 7 of 20 that says, "*To the extent prevented by law.*" I didn't think the District could indemnify a third party.

Mr. Flint: Well, I'll defer to Counsel. We can through contract, but we typically don't want to do that, because we have sovereign immunity. But the insertion of permitted by law, I think resolves the issue.

Mr. Kenneth Colen: Okay. That was my only point. Thank you. Are there any other questions? Has Counsel reviewed the contract? Is Counsel satisfied with the contract?

Ms. Wagoner: Yes, in reviewing the contract we did bring up the idea again of perhaps looking at uniform terms to improvement of all contracts. To address your concern on things like sovereign immunity, Sunshine Law and Prompt Payment Laws, all of those issues, the District might want to consider adopting uniform terms that could be incorporated into all contracts going forward. We can discuss that going forward. I did review this contract and I think it's appropriate to move forward with this contract as it is.

Mr. Kenneth Colen: Very good.

Mr. Gerald Colen: We've actually been working on those, but there's a difference of opinion between Mrs. Wagoner and me. Of course, I'm losing each issue, but I'm hoping that we'll be able to send the Board and Manager a form to look at, with the idea of adopting them, so that any contract that's presented, when we ask for proposals, we include language that says, "*Here are the requirements,*" but Ms. Wagoner and I have to work things through.

Mr. Kenneth Colen: I thank you. What is the Board's pleasure?

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Master Services Agreement with RingCentral, Inc. for RingEx Services subject to additional review was approved.
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E. Consideration of Utility Operations Facility Agreement for Professional Architectural & Engineering Design Services

Mr. Kenneth Colen: The next item is the Utility Operations Facility Architectural and Engagement Services Contract Agreement.

Mr. Schmalz: Good morning. Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. The agreement in your agenda packet is titled, "*Utility Operations Facility Architectural and Engineering Services Contract Agreement.*"

Mr. Flint: Bryan did hand out a revised version of that.

Mr. Schmalz: Yes, sir. It is for the design, permitting, Construction Manager at Risk coordination, and construction administration services for the new Utility Operations Facility, as described in the Request for Qualifications dated January 24th. The new facility plans for two pre-engineered pole barns, main administration building with warehouse, material storage bins, one future pre-engineered pole barn, one future administration building with warehouse and a fueling station. All of the parts of the facility structure and components will be designed as an essential building per the Florida Building Code, integration of mechanical, electrical, plumbing, fire protection, fire alarm, security, surveillance, access control and communication systems for a 24-hour operation, during an emergency event such as a hurricane. The proposed fixed fee is in the amount of \$860,000, which includes architectural, interior design, civil, geotechnical, landscape, irrigation, land surveying, environmental, structural, mechanical, electrical, solar design, plumbing, fire protection, security and communications. JL2 architecture fees include construction administrative services as well. When looking at the estimated cost of construction at \$11 million, their design cost came in at 7.82% of the overall. Typically, we see a little better than 10% on the design. So based off that, the District staff found the fee to be acceptable and would recommend the Board of Supervisors approve this agreement.

Mr. Kenneth Colen: Has Counsel reviewed this agreement?

Mr. Gerald Colen: I have.

Mr. Kenneth Colen: I'm a little uncomfortable, because I haven't not had time to review this and it seems to be materially different than the one in our agenda package. When I say materially different, I mean it appears to be longer, more sections, more comprehensive.

Mr. Schmalz: There was a misnumbering on the first one, which caused it to appear to have more articles.

Mr. Flint: You could always approve it in substantial form subject to your sign off, if you want more time.

Mr. Schmalz: In Article 17, Paragraph E, the architect requested that this information be provided, which is required under Florida Statute. What we had in there previously, was a shorter reference to Florida Statute 558.0035.

Mr. Kenneth Colen: There is no Paragraph E on this version. Do I have the right version? This gets interesting.

Mr. Schmalz: You're looking at the wrong document.

Mr. Kenneth Colen: Ah, no wonder.

Mr. Schmalz: That's why it looks substantially different. There were three minor changes.

Mr. Flint: You had me nervous. I thought I brought the wrong version of it.

Mr. Kenneth Colen: It was making me nervous. This is good to know.

Mr. Schmalz: Just to give the Board a level of comfort, this is the same basic language that was utilized for the North Water Reclamation Facility (NWRf) projects, with the Engineer as well as the upcoming agreement we're about to discuss with the Construction Manager at Risk.

Mr. Kenneth Colen: Alright. Very good. What was the proposal you put forth, George?

Mr. Flint: You could approve it in substantial form subject to your review.

Mr. Kenneth Colen: Okay then I need a motion to that affect.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Utility Operations Facility Agreement for Professional Architectural and Engineering Design Services was approved in substantial form subject to Chairman execution.

F. Consideration of Utility Operations Facility Agreement for Preconstruction Services

Mr. Kenneth Colen: Item F is consideration of the Utility Operations Facility Agreement for preconstruction services.

Mr. Schmalz: The agreement in your agenda packet titled, "*Utility Operations Facility Agreement for Preconstruction Services*," is for the preconstruction services detailed in Exhibit A of the agreement, in the amount of \$214,980. During the design process, Wharton Smith provides cost estimates at 30%, 60% and 90% of design, reviews the design, provides value engineering to assist in an overall reduction of construction costs and provides bidding and

procurement at a guaranteed max price at 100% design. The consultant can only move on to the next phase of the project, once the CMAR estimates are in line with the established budget, allowing the District to maintain budget control. With the CMAR being involved from the beginning forward, design changes can be implemented early on, reducing unnecessary engineering costs, as well as practical recommendations can be made, to improve the overall constructability while reducing construction costs. Again, this was in line with standard fees associated with the CMAR process, Construction Manager at Risk. This follows the same language that was utilized with the NWRP project when we did with Wharton Smith as well.

Mr. Kenneth Colen: You just answered my next question. Very good. Has Counsel reviewed this?

Mr. Gerald Colen: Yes.

Mr. Kenneth Colen: Alright, Mr. Schmalz, thank you. Do I have a motion to approve it as presented?

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Utility Operations Facility Agreement for Preconstruction Services was approved.

SIXTH ORDER OF BUSINESS

Ratification Items

A. Series 2022B Requisitions #80 - #83

Mr. Kenneth Colen: The next item is ratification of items. The first item is Series 2022B Requisitions #80 through #83. Have you had an opportunity to review them? Are there any questions on any of them.

Mr. Brunner: No.

Mr. Kenneth Colen: Do you have any comments that you wish to make?

Mr. Schmalz: Yes, sir.

Mr. Kenneth Colen: Yes, please.

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. I just wanted to give an update of the overall project in regards to remaining balances. The District has a remaining balance of \$11,916,777.84, between Wharton Smith and any related owner direct purchase items. The District is in the process of performing its final reimbursement request to the Department of Environmental Protection (DEP) in the amount of \$14,670,619.31.

Mr. Kenneth Colen: Has DEP been up to look at this plant yet?

Mr. Schmalz: Not since it's been online, but they did before the second grant was awarded.

Mr. Kenneth Colen: Alright.

Mr. Schmalz: So, it was very early on in the construction process, approximately two years ago.

Mr. Kenneth Colen: To make sure it's actually in the ground.

Mr. Schmalz: Yes.

Mr. Kenneth Colen: That's prudent.

Mr. Schmalz: DEP Central District permitting staff did come tour the facility prior to it being brought online as an educational tool for new employees with the permitting division of DEP Central District as well.

Mr. Kenneth Colen: That's pretty interesting that they would use us as a training example.

Mr. Schmalz: Yes, sir.

Mr. Kenneth Colen: I'm flattered, not that means anything, but it's just interesting.

Mr. Schmalz: Yes, we've had a lot of interest in the new facilities. Other utilities have been touring the facility while it's been in construction, as well as we've had utilities recently touring to see what we're doing here. We hosted Marion County Water School with Mr. Andy Jorgensen. They came and toured the facility as well. We also had members from DEP, the Southwest Florida Water Management District (SWFWMD), soil and water conservation groups, local HOAs and members of the Water Conservation Group from Stone Creek. I think we had around 30 to 40 individuals that toured the facility. So, we've had a lot of interest in the overall facility and what we were able to do with this site.

Mr. Kenneth Colen: Very good.

Mr. Brunner: I was out there a couple of weeks ago. It's a show place. No two ways about it.

Mr. Kenneth Colen: It's saying something, considering the product.

Mr. Brunner: You don't notice the product.

Mr. Kenneth Colen: Alright. Thank you. We need a motion ratifying Requisitions #80 through #83.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the approval of Requisitions #80 - #83 for Series 2022B were ratified.

B. Customer Service Agreements (2) with Florida Express Environmental for Solid Waste Transport Services

Mr. Kenneth Colen: Next are the ratification of Customer Service Agreements for Florida Express Environmental. Are there any comments that you wish to present?

Mr. Schmalz: I just wanted to point out that previously we utilized Waste Management for these services, with an average monthly cost of \$1,500 for only two 4-yard dumpsters. Florida Express will be providing three dumpsters with an average monthly cost of \$645, providing the District an annual savings of \$10,260.

Mr. Kenneth Colen: Very good. Alright, we need a motion to ratify.

On MOTION by Mr. Gysen seconded by Mr. Brunner with all in favor the approval of Customer Service Agreements with Florida Express Environmental for Solid Waste Transport Services were ratified.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2025-04
Approving the Proposed Fiscal Year 2026
Budget and Setting a Public Hearing**

Mr. Kenneth Colen: Next is the consideration of Resolution 2025-04, Approving the Proposed Fiscal Year 2026 Budget and setting a public hearing. Who is going to address this?

Mr. Flint: Bryan will address the budget. The resolution is in your agenda. Exhibit A is the Proposed Budget. This is preliminary. The Board can modify this between now and the public hearing. We're recommending your August 19th meeting for the public hearing. Alright. Proceed.

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. Would the Board like me to go through the line items noting any major changes?

Mr. Kenneth Colen: Yeah. What are the major changes?

Mr. Schmalz: So, as far as the budget line items go, we reduced *Engineering* from \$150,000 to \$75,000, based on historical. *Attorney*, we reduced from \$50,000 to \$30,000, based on historical. *Salaries and Wages* increased from \$2.3 million to \$2.52 million, based on hiring three additional employees and related merit increases. *Other Salary and Wages* decreased from \$14,900 to \$10,000, based off historical. *Unemployment*, no increases were made, based on

historical. *Payroll Taxes* increased, based off of three additional employees. *Pension Contributions* increased from \$30,000 to \$45,000, based off of historical participation in our Retirement Plan. For *Other Personal Costs*, there was no increase, based on historical. *Education and Training* reduced from \$25,000 to \$20,000, as this year is not a license renewal year for our DEP licenses. Our continued education unit classes that we take, are reduced. *Uniforms* were reduced from \$30,000 to \$26,000, based on historical and negotiation for our most recent contract agreement. *Workers Compensation* reduced from \$35,000 to \$32,000, based on historical. *Health Insurance*, as always, increased from \$730,000 to \$850,000, based off of projected increases in additional employees. *Communications* increased from \$85,000 to \$164,000, due to fiber leasing requirements, where we'll have fiber leasing instead of being on the Internet, which will protect our main facilities. *Administrative Costs* increased from \$90,000 to \$100,000, based on historical. *IT* increased from \$282,000 to \$307,000, based on recommendations from our IT vendor. *Postage* had no increase. *Rentals and Leases* increased from \$22,000 to \$25,000, due to additional leases, as discussed today. *Insurance* increased from \$700,000 to \$750,000, based on additional lift stations and projected price increases. *Operating Supplies* had no increase. *Electricity* had no increase. *Office Rental* increased from \$92,650 to \$225,000, based on relocating to the new customer service office and it being a larger facility than what we're currently in. *Fuel* had no increase. *Repairs for Distribution & Collections*, had no increase. *Mowing* had no increase. *Chemicals & Supplies* increased from \$450,000 to \$530,000, based off of projected increases and the polymer required to process our biosolids at the new facility. *Lab & Testing* increased from \$120,000 to \$130,000, due to projected increases. *Sludge Hauling, Non-Recurring and Small Tools*, all had no increases. *Biosolid Disposal* decreased, due to the Biosolid's application site coming offline. *Dues, Licenses & Subscriptions* decreased, based off of the upcoming year not being a license renewal year for our DEP certifications. *Refuse* reduced from \$20,000 to \$10,000, based off of the Florida Environmental Express Agreements. *Safety* increased from \$10,000 to \$15,000, due to expanding staff. *SWFWMD Bay Laurel CFI Program* decreased from \$100,000 to \$75,000, based on the remaining funds associated with those projects. We've continued extending that project year over year. *Turf Replacement Program* had no increase. That's the basis of the line items. The next area, if you'd like me to go into, would be the *Renewal and Replacement (R&R)* line items.

Mr. Kenneth Colen: Alright, let's talk about that. We should be pretty well caught up. At least it looked that way.

Mr. Schmalz: Yes. As far as *R&R*, we always maintain a few line items in case of any major expenses, so that it doesn't hit the individual line items. We have *Water Treatment - Miscellaneous Pump & Motor Repair Replacements*, *Water Treatment - Miscellaneous Valve Repairs & Replacements* and *Meter Replacements*. That number continues to grow every year, due to the number of meters in the ground. Typically, you have 10% replacements year over year. As we continue to grow, we have to incorporate our service area into our GIS Program. We have our *Backflow Program*, which is updating existing service lines that don't meet those new requirements for backflow protection. We have the *MultiSmart Upgrade to Nexicon*. *MultiSmart* is a pre-programmed controller that the District utilized to operate and communicate with our lift stations. They're similar to a Programmable Logic Controller (PLC), which operates like a lift station. We just found out that they are now obsolete and they are no longer making those anymore. So, they are transitioning to what's called the *Nexicon*. The reason why we like the *MultiSmart* or *Nexicon* unit, is because it's a pre-programmed PLC. If I were to put a standard PLC in the control panel, every time that a PLC goes down, I'd have to contact an integrator to come program the PLC, whereas these units, has an operator interface that we're able to go in and program everything right onsite. So, we can change out one of these units within about 20 minutes and get the lift station back up and going right away. That's why we utilize the pre-programmed PLCs versus the traditional PLCs that you see in a Wastewater Treatment Facility.

Mr. Kenneth Colen: Are you upgrading every lift station with this or just as on a phase basis?

Mr. Schmalz: It's a phase basis we're looking at doing over the next four to five years.

Mr. Kenneth Colen: Okay.

Mr. Schmalz: It's estimated that these new units will be more cost effective. Previously the *MultiSmart* was a big box with everything built into it, whereas a PLC is typically card based. So, you have input and output cards and as those fail, you replace just the card. Whereas with the *MultiSmart*, when it failed, you had to replace the entire *MultiSmart*. So, this will be more focused on what actually broke and we'll be able to spend a lesser amount of money to replace the individual cards as they break.

Mr. Kenneth Colen: Understood.

Mr. Schmalz: We're continuing putting redundant control systems in all of our lift stations. This should be the last year of that program. Every year we have a program where we continue cleaning force mains and manhole rehabilitation. As our infrastructure ages, the manholes continue to need attention such as the invert and sometimes the coatings or the covers need to be replaced. Next are the *Onsite Emergency Generator Repairs*. Then we have *Wastewater Collection - Miscellaneous Motors & Pumps*, *Wastewater Collection - Miscellaneous Valves* and *Wastewater Treatment Pumps & Valves*. With that being said, we shouldn't have any expenses associated with a brand-new treatment facility with those failing, because we are under warranty. We have *Vehicle Wrap Removal* this year. A few years back, we installed two trucks with vehicle wraps, because the Water Management District wanted us to do advertising for water conservation. I explained to them that we don't have billboards in our communities and we really shouldn't be taking and putting water conservation billboards out on 200. So, we put vehicle wraps on the trucks and they're now starting to fail. At this point, we don't think that it's really providing that much of a water conservation influence to the community. So, this is the cost to remove those wraps and then repair any damaged paint when the wrap is removed. We have a new truck, #23, which is a crane truck. Currently the District owns and operates a single crane truck. So, when that truck is out for repairs, out for service and for maintenance, we do not have a crane truck. We have over 40 active lift stations currently, with three currently under construction. We need to have that redundancy. So, this will be a smaller crane truck than what we have. This will be an F-350, probably a 3,500-pound to 4,000-pound crane, versus our existing crane truck, which is an F-550 that can do 7,500 to 7,600 pounds. So, this will keep us going and pulling our standard lift station pumps, where our larger crane truck allows us to also pull other equipment associated with the water and wastewater plants. The new lift station crane truck would be assigned to the lift station team and then the truck they're using now would go into the distribution and collection for the additional field technicians that we're looking to bring on. We always have *IT Security Risk Audit* and *Administrative Network Servers*. The administrative network servers are needed because we want a seamless transition moving from the existing facility, customer service office, to the new customer service. We need to install the necessary equipment, so there is minimal downtime as we're transitioning all of our phone calls and staff over to the new facility. So, that is what that line item is for. We have tablets for our paperless conversion at our customer service office for

applications. That will help streamline documentation and minimize killing forests by use of all of the paper. We have a check scanner, our standard computer replacements and then our laptops and tablets as well, which are standard items that we have to continue to replace every year. That is all I have for the budget.

Mr. Kenneth Colen: Thank you. Are there any questions on the budget? Alright. Resolution 2025-04 is:

“A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BAY LAUREL CENTER COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2025-2026 AND SETTING A PUBLIC HEARING THERON PURSUANT TO FLORIDA LAW, ADDRESSING TRANSMITTAL, POSTINGS AND PUBLICATION REQUIREMENTS, ADDRESSING SEVERABILITY AND PROVIDING AN EFFECTIVE DATE”

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor Resolution 2025-04 Approving the Proposed Budget for Fiscal Year 2026 and Setting a Public Hearing for August 19, 2025 at 10:00 a.m. at this location was approved.

EIGHTH ORDER OF BUSINESS

Authorization to Set Rate Hearing

Mr. Kenneth Colen: The next item is authorization to set a rate hearing. Could you proceed, Mr. Schmalz?

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. I didn't have the opportunity to get with Mr. Flint prior to the meeting, but I don't believe this is necessary at this time.

Mr. Kenneth Colen: It's in the rate study.

Mr. Schmalz: Yes. This is in our typical rate increase. We were looking at changing the 5/8-inch meter costs, due to the tariffs. In our Neptune meters, we're going to see an approximately 8% surcharge with the tariffs that were in place. That was going to go into effect in April, but then the tariffs went up and the tariffs went down. They went all over the place. At this time, they are only projecting a 3% increase effective June 1st. What we decided to do, was go ahead and order, which I did today, two additional pallets of 260 5/8-inch water meters to beat the tariff. Then we can evaluate what happens with the tariffs when we get closer to our August Board meeting, when we actually adopt the ARS.

Mr. Kenneth Colen: Which tariffs are you referring to?

Mr. Schmalz: China. It was specific to the lithium batteries and some of the circuit boards, associated with the water meters.

Mr. Kenneth Colen: Okay. Alright. So, we don't have any action on this item.

Mr. Schmalz: It's no longer needed now.

Mr. Kenneth Colen: Alright. Very good.

NINTH ORDER OF BUSINESS

Appointment of Audit Committee and Chairman

Mr. Kenneth Colen: We do need to appoint the Audit Committee and the Chairman. I'll open the floor for nominations to the Audit Committee.

Mr. Flint: It's time to bid out your independent auditor and the Statutes provide the process that the Board must follow. It starts with appointing an Audit Committee and designating a Chair. In the past, the Board appointed themselves as the Audit Committee and one of the Board members as Chair. We do have an Audit Committee meeting noticed for immediately after the Board meeting. If you do appoint yourselves as the Audit Committee, we can roll right into the Audit Committee meeting. It's a five-minute meeting.

Mr. Kenneth Colen: Alright. I need a motion to appoint the existing Board as the Audit Committee and myself as Chair.

On MOTION by Mr. Stepp seconded by Mr. Brunner with all in favor the Board serving as the Audit Committee and Mr. Kenneth Colen serving as Chairman was approved.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Kenneth Colen: Alright. Staff Reports. Counsel?

Mr. Gerald Colen: Nothing.

Mr. Kenneth Colen: Alright. Very good.

B. Utility Status Report

Mr. Kenneth Colen: Utility Status Report.

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. As far as drinking water production, it's been busy. The residents are really using water. We hit our highest day on record in April. Typically, we do that in May. 7.9 million gallons in a 24-hour period was produced. Right now, our annual average daily flow is right at a little bit more than 5

million gallons per day or 1.852 billion gallons in the past 12 months, is what we produce in drinking water. That's a 4.92% increase in flows over the same time period with an increase in service connections of 8.5%. It's good to see that flows are increasing less than our actual service connections are increasing. Years ago, we used to see the opposite of that. Over that same time period, we had 1,020 additional service connections in our area. As far as wastewater flows, we're averaging on an annual average basis, 973,000 gallons, with 355 million gallons treated over the past 12 months. A little over 1.05 million gallons a day, is what the treatment's been for the last three to four months. So, we're now over a million gallons per day on average, over the past quarter, three months, I'd say. We've sent 70% of our water to the golf course and public access reuse areas, offsetting 250 million gallons. The big news is, effective April 7th, we were online at the NWRP. We brought the South Wastewater Treatment Facility (SWWTF) offline, transferred all of the wastewater, what we call mixed liquor suspended solids (MLSS) in that facility, pumped it through the collection system and brought online the new facility. The Engineers estimated that it would take two to three weeks, to start producing public access reuse water, as the plant became acclimated. We were able to do that in 48 hours. So, we were able to start producing public access reuse water. The facility again, as I mentioned earlier, has been getting a lot of attention from other utilities and other municipalities, seeing what we did and how we designed and built it. Because it's built with redundancy in mind. It's very robust. Then we went ahead and built it for the full five stage Bardenpho, which means it removes nitrogen and phosphorus. It's taking care of all the nutrients that are currently an issue and will become an issue later. So, that facility has been online. I did provide some pictures for the Board, so you can see what the SWWTF now looks like. It looks like a pile of rubble. I will not lie. I talked to Mr. Kenneth Colen the other day and it was quite sad, because I've been working on that plant since I was 19 years old. It was hard to see it demolished and think of all the things we did on that plant over the years, but I now know how Mr. Kenneth Colen feels, as he sees things get knocked down around here. So, we're currently in the process of doing all of that. All of the concrete will be repurposed and stored at OTOW. They will crush it and recycle all of the rebar. Then all the rock will go towards the road base, I assume, and crush concrete walkways that they do sometimes in the communities. So, this is the site that the new Utility Operations Facility will be constructed on. There is a lot of work happening around there. We're in the process of relocating

the fiber off of all the power lines, relocating the power lines and then flattening the site for the development of the Utility Operations Facility.

Mr. Kenneth Colen: Good.

Mr. Schmalz: The last thing that I have, is I want to make sure that all of the Board Members received the NWRP ribbon cutting ceremony invites. It is June 25th from 10:00 a.m. to 1:00 p.m.

Mr. Kenneth Colen: Very good.

Mr. Brunner: I know you're going to miss the plant, but several hundred residents will not.

Mr. Schmalz: The current rumor is we're building apartments there.

Mr. Kenneth Colen: That's a good use.

Mr. Schmalz: Thank you.

Mr. Kenneth Colen: Thank you. Just one quick question, is Wharton Smith doing the demolition or subcontracted this to another company?

Mr. Schmalz: They did subcontract it to another company. As you can imagine, a wastewater facility that's been there since 1981, has a lot of lines connecting to it. A portion of those lines are remaining in operation for the reclaim system. So, they had to be cut and capped at certain points and then the other lines will then be removed onsite. The demo work of those lines being removed and the facility being demolished, is being done by Peace of Mind.

Mr. Kenneth Colen: Very good. Thank you.

Mr. Schmalz: You're welcome.

C. District Manager's Report

1. Approval of Check Registers

- i. February-March**
- ii. March-April**
- iii. April-May**

Mr. Kenneth Colen: The next item is the District Manager's Report.

Mr. Flint: You have three Check Registers; one from February through March, one from March through April and one from April through May. Those are in your agenda package. If there's any questions, we can discuss those.

Mr. Kenneth Colen: Does anyone have any questions?

Mr. Brunner: No.

Mr. Kenneth Colen: Everything seems to be in order. Thank you.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Check Registers as stated above was approved.

2. Balance Sheet and Income Statement

Mr. Kenneth Colen: Next is the Balance Sheet and Income Statement.

Mr. Flint: No action required on this. These are unaudited. If the Board has any questions, we can discuss those.

Mr. Kenneth Colen: Are there any questions? Hearing none,

3. Presentation of Number of Registered Voters - 0

Mr. Flint: There are no registered voters within the boundaries of the District as of April 15th.

Mr. Kenneth Colen: Very good. Thank you.

ELEVENTH ORDER OF BUSINESS

Other Business

Mr. Kenneth Colen: Do we have any other business to come before this Board? Hearing none,

TWELFTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Kenneth Colen: Are there any Supervisor's Requests? Hearing none,

THIRTEENTH ORDER OF BUSINESS

Next Meeting Date – June 17, 2025

Mr. Kenneth Colen: The next meeting is June 17, 2025. We need 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