

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, July 19, 2022 at 10:00 a.m. at Circle Square Commons Cultural Center, 8395 S.W. 80th Street, Ocala, FL.

Present and constituting a quorum were:

Kenneth D. Colen	Chairman
Paul Brunner	Assistant Secretary
William D. McLeod, Jr.	Assistant Secretary
Jo Layman	Assistant Secretary

Also present were:

George Flint	District Manager
Rachel Wagoner	District Counsel
Crystal House	BLCCDD
Bryan Schmalz	BLCCDD
Sarah Cooper	BLCCDD

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. All Supervisors were present with the exception of Mr. Belz.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Kenneth Colen: Is there anyone who wishes to address the Board? Now is your opportunity. Step up to the microphone and state your name and address for the record. Hearing none, I will close the public comment period.

THIRD ORDER OF BUSINESS

Notice of Meeting

Mr. Kenneth Colen: The meeting notice was published on May 15, 2022.

FOURTH ORDER OF BUSINESS

Acceptance of Utility Systems

A. SW 92nd Court Road UAP

B. Weybourne Landing Phase 1D UAP

Mr. Kenneth Colen: Next is the acceptance of utility systems which is behind Tab 4. I will call your attention to the first one, which is an On Top of the World (OTOW) project for the SW 92nd Court Road Extension. The utility system is being certified as a transfer value of \$794,583. The second one is another OTOW project, Weybourne Landing Phase 1D, with a transfer amount of \$331,990 worth of improvements. I think those are the only two. I need a motion to accept those.

On MOTION by Mr. McLeod seconded by Mr. Brunner with all in favor the utility systems as stated above were accepted.

FIFTH ORDER OF BUSINESS

Approval of Form of Notice to Grantor

Mr. Kenneth Colen: Behind Tab 5 is a form of notice to Grantor. This is in relation to the acquisition of Water Treatment Plant (WTP) Number (No.) 3 from Sidney Colen & Associates, an OTOW affiliate. Mr. Flint, would you take us through this?

Mr. Flint: Sure. As you recall, the District issued bonds, part of which was to acquire WTP No. 3. WTP No. 3 is subject to a purchase lease option with the District and underneath that agreement is a requirement. The first step is to provide the owner notice that we intend to exercise the purchase option. District Council prepared this notice. In addition, attached to the notice are the forms of two resolutions that we would also like the Board to consider approving. They would be Resolutions 2022-09 and 2022-10. I can refer you to Rachel to provide you any more detail.

Mr. Kenneth Colen: Thank you, Mr. Flint. At this point, I'm going to declare a conflict on this, obviously, because I'm a principal of the company that owns the facility. What is your pleasure? We need a motion, a second and a vote.

Mr. Brunner: I just have a quick question.

Mr. Flint: Sure.

Mr. Brunner: Are they Resolution 2022-09 and 2022-10?

Mr. Flint: The first one is Resolution 2022-09 and the second one is Resolution 2022-10.

Mr. Brunner: Thank you.

Mr. Flint: I think you should take up the two resolutions first by separate motion and then approve the form of notice, which the resolutions would be attached to.

On MOTION by Mr. Brunner seconded by Ms. Layman to adopt Resolution 2022-09 Exercising its Option to Purchase Water Treatment Plant Number 3 Pursuant to Section 2 and Exhibit B of the Amended and Restated Water and Sewer System and Reuse Water System Sublease/Option to Purchase Agreement dated October 12, 2010 by roll call vote:
Supervisor Layman: Aye.
Supervisor Brunner: Aye.
Supervisor McLeod: Aye.
Supervisor Colen: Abstain.
Motion Passed 3-0 in substantial form.

Mr. Kenneth Colen: Next is Resolution 2022-10. The title of this resolution is:

“A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BAY LAUREL COMMUNITY DEVELOPMENT DISTRICT AMENDED AND RESTATED WATER AND SEWER AND REUSE WATER SYSTEM SUBLEASE/OPTION TO PURCHASE AGREEMENT DATED OCTOBER 12, 2010 VALUATION AND PURCHASE PRICE DETERMINATION AND PROVIDING FOR AN EFFECTIVE DATE.”

On MOTION by Mr. Brunner seconded by Ms. Layman to ADOPT Resolution 2022-10 Amended and Restated Water and Sewer System and Reuse Water System Sublease/Option to Purchase Agreement dated October 12, 2010 Valuation and Purchase Price Determination for Water Treatment Plant Number 3 by roll call vote:
Supervisor McLeod: Aye.
Supervisor Brunner: Aye.
Supervisor Layman: Aye.
Supervisor Colen: Abstain.
Motion Passed 3-0 in substantial form.

Mr. Kenneth Colen: What else do we need here? Is that it?

Mr. Flint: I would just ask that you approve the form of the notice that these two resolutions will be attached to.

Ms. Wagner: If I may. It appears that the date was inserted previously on the resolution as the 14th. It should be updated.

Mr. Flint: Okay. These are being approved in substantial form.

On MOTION by Ms. Layman seconded by Mr. Brunner to approve the form of the notice that Resolutions 2022-09 and 2022-10 will be attached to by roll call vote:
Supervisor Brunner: Aye.
Supervisor Layman: Aye.
Supervisor McLeod: Aye.
Supervisor Colen: Abstain.
Motion Passed 3-0 in substantial form.

Mr. Kenneth Colen: Alright. We got that bit of business resolved. Next.

Mr. Flint: I'll provide you with Form 8B to fill out.

Mr. Kenneth Colen: Okay.

SIXTH ORDER OF BUSINESS

**Consideration of Agreement with Florida
Municipal Pension Trust Fund for
Preparation of GASB 75 Disclosures**

Mr. Kenneth Colen: Next is Agenda Item 6, an Agreement with the Florida Municipal Pension Trust Fund for preparation of GASB 75 disclosures. Okay. Mr. Flint?

Mr. Flint: As part of the audit requirement, under GASB 75, we have to have an analysis of the District's liability for people who are retiring. As part of the audit, when we get down to having the audit finalized, historically, we had done these every two years. I guess there have been some changes in the guidelines that now require it to be done annually. So, we've executed this agreement and are asking the Board to ratify it.

Mr. Kenneth Colen: Alright. Thank you.

Mr. Flint: The Florida League of Cities through their Florida Municipal Pension Trust Fund Group are the ones that do the calculation.

Mr. Kenneth Colen: So, this is an annual expense going forward?

Mr. Flint: It will be going forward. It was every two years previously.

Mr. Kenneth Colen: For the same money for two years?

Mr. Flint: Yes.

Mr. Kenneth Colen: Alright. What's your pleasure here? I need a motion accepting the preparation of GASB 75 disclosure for Bay Laurel Center Community Development District (CDD).

On MOTION by Mr. McLeod seconded by Mr. Brunner with all in favor the Agreement with Florida Municipal Pension Trust Fund for the preparation of GASB 75 Disclosures was approved.

SEVENTH ORDER OF BUSINESS

Wharton Smith Guaranteed Maximum Price (GMP) No. 3

Mr. Kenneth Colen: Next is the addendum to the North Water Reclamation Facility (NWRf) Agreement for construction of services and Guaranteed Maximum Price (GMP) No. 3 between Bay Laurel Center Community Development District and Wharton-Smith Inc, dated April 27, 2022. Mr. Schmalz, would you walk us through this because this is quite a package?

Mr. Schmalz: Yes, sir.

Mr. Kenneth Colen: There is a lot of reading.

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center CDD. The document is what we call, "GMP No. 3." The total amount of this package is \$29,540,375.04. This is specifically for the pre-stressed concrete ground storage tanks located at the NWRf. The first tank is a 500,000-gallon equalization tank. The second tank is a 6.25 million gallon reclaimed water ground storage tank. To put in perspective, most Board Members have seen the ones at WTP No. 3. Each one of those is 2.75 million gallons. This one is substantially larger. That includes all of the wall piping, ladders, gauges, everything for the tanks themselves. Then we have the process concrete. The process concrete is specific to what we call the process tanks. That includes a 30-foot-tall headwork structure that receives all of the incoming influent for initial screening and grit removal. Influent splitting structures splits the flow between the multiple aeration tanks, which are referenced to as oxidation ditches. It also includes the related elevated decks and stairs on the oxidation ditches to where the aerators are mounted. It also includes the mixed liquor suspended solid splitter box. There will be two 75-foot diameter clarifiers. It includes the filter splitting structure. Initially, there will be two filters at this location expandable to a third in the future as we grow. It will include the chlorine contact basin and aerobic digesters. There will be three of them at approximately 275,000 gallons each. It also includes soil remediation for the site. The site will need some compaction grout injection. It's estimated at 97 locations at 1,200 yards. If you look in the document, you'll see that we actually doubled that to 2,400 yards of compaction grout. It's rare that the report actually lands exactly what the need is for the compaction grout. We wanted to be conservative. If we don't spend that money, that money would come back to us as well. It includes the construction of rapid

infiltration basins (RIBs) number 1, RIB number 2 and what we call the south swale, which is just for storm-water management. It will include all of the piping, valves, fittings, restraints, all of the reclaimed water piping from the facility site to the RIB site, including outfall structures and sodding restoration for all disturbed areas. The last item is the actual loop access road and storm system at the plant site. That's the storm water system and the paving. We have an access road that circles the facility to provide access to all of the equipment there. As you flip through to the next page, you should see a chart that shows all of the actual cost breakdown with a 5% contingency built in there. You'll also notice that asphalt allowance of an additional \$326,461. The reason why is this asphalt will be installed in approximately 2024 to early 2025. Due to the expected continued increase in material, we added an asphalt allowance in there for that potential increase. If that's not what it costs at the time, if it's less, that money will come back to the District. You can see the contingency of 5% built into that. At the very bottom of the summary if the Board of Supervisors elects to approve this, so far, the cost of the project to date is at \$39,836,573.63.

Mr. Kenneth Colen: Where does that take us percentage wise? Because the majority is for the tank, but I know there's some other structures and process control buildings and various things.

Mr. Schmalz: Yes. I would say we're roughly a third of the way of the actual cost. What we still have remaining is all of the electrical instrumentation and controls. We still have all of the process equipment, which will be on an owner direct purchase. The filters will be purchased by the owner so that way we can see those tax savings with that. All of that's still to come in and that is some of the heavy hitting equipment. I did ask Wharton-Smith to put together a summary of what the 60% cost estimate was compared to where we are to date. We're under budget from where we were at 60%, about \$4 million under budget currently. With still a lot of contingencies built-in, every one of the GMP's that the Board has approved to date, including this one, has a 5% contingency built into it for the unforeseen. So, as we continue moving forward, hopefully we've captured and we won't have to use as much of that contingency as possible.

Mr. Kenneth Colen: Yeah. I hope so. Just a housekeeping item. It's hard to read the numbers here on the total columns because I don't know what color the document is, but when it photocopies, it copies dark. So, if we could just have the contractor and the engineer just omit the

color on that, because at some point somebody is going to go back and look at these records and ask for a copy.

Mr. Schmalz: Yes. Understood. It's typically in color. That's why it doesn't show up well on the black and white copies for your agenda packets, but we'll omit color moving forward. I apologize.

Mr. Kenneth Colen: That would be helpful. I noticed the contractor for CROM, Mr. Robert Glenn Oyenarte, his license is expiring in about a month.

Mr. Schmalz: We'll have an updated one.

Mr. Kenneth Colen: Yes. Please. Thank you.

Mr. Schmalz: Absolutely.

Mr. Kenneth Colen: Oh, I'm sure he's probably already updated it.

Mr. Schmalz: Probably.

Mr. Kenneth Colen: Okay. I don't have any other questions. It's a good, detailed package. I think it gives great information to understand exactly what's happening in the field and the process. Thank you for that.

Mr. Schmalz: You're welcome.

Mr. Kenneth Colen: Alright. So, we need a motion to accept GMP No. 3.

On MOTION by Mr. Brunner seconded by Ms. Layman with all in favor the addendum to the North Water Reclamation Facility (NWRf) Agreement for construction of services and Guaranteed Maximum Price (GMP) No. 3 between the District and Wharton-Smith Inc, dated April 27, 2022 was approved.

EIGHTH ORDER OF BUSINESS

Presentation of Appreciation Letter from Stone Creek Water Conservation Group

Mr. Kenneth Colen: Next is a presentation letter, which I will read into the record with your indulgence. Thank you. This is from the Stone Creek Water Conservation Group. *“Board of Supervisors, Bay Laurel Center Community Development District. Dear Chairman Colen and Members of the Board, The members of the Stone Creek Water Conservation Group want to express our appreciation to Bryan Schmalz and Ashlynn Thompson for the time they spent with us and sharing the knowledge and understanding of water conservation, water treatment and wastewater management. Bryan is an exceptional resource, and with Ashlynn's help, they are planting the seeds to make improvements in Stone Creek that complement the District BLCCDD*

and SWFWMD goals for watershed improvement. We want Stone Creek to become a model community in the state of Florida for making water related changes so that our community is a great place to live. Bryan and Ashlynn graciously accepted an invitation from Stone Creek Water Conservation Group to speak at our inaugural meeting which was held on April 26, 2022. More than 200 residents attended. The feedback from the meeting was so positive that it was suggested that Bryan and Ashlynn should be asked to come back again and explain how the irrigation systems and meters installed in our yards actually work. That happened on June 28th, when Stone Creek Water Conservation Group sponsored a water and sewer infrastructure tour. Three Stone Creek homes built at different times. More than 40 residents participated in this seminar. The depth of knowledge that Bryan shared with the homeowners was truly amazing. He answered each and every question with an understandable response. Some the comments who attended: "This is very informative as I never knew what goes in the house and in the yard. So, this was good for me. Barbara from Sebastian." "I thought this was wonderful. We have been here just over a month so the information was extremely helpful. The speaker was phenomenal. He did a great job. So glad you did it. Melanie from Arlington." "We learned more about running the irrigation system. Linda from Arlington." "This was very helpful. I learned about what to do in case there is a backflow in the toilets, how to detect water leaks and how to irrigate the lawn if the controller fails, among other things. Lenny from Saratoga." Please provide Bryan Schmalz and Ashlynn Thompson with acknowledgment of our appreciation on the work that they do and thank you for your support of their efforts. Sincerely, The members of the Stone Creek Water Conservation Group." Very, very high accolades. Nice.

Mr. Brunner: Well done.

Mr. Flint: Good job.

Mr. Kenneth Colen: Absolutely. Thank you so much.

NINTH ORDER OF BUSINESS

**Ratification of Series 2022B Requisitions
#2 - #3 - Added**

Mr. Kenneth Colen: Agenda Item 9 is ratification of Series 2022B Requisitions #2 and #3. Number 2 is a requisition for \$2,584,140.99.

Mr. Flint: That's the contract.

Mr. Kenneth Colen: That was the contract amount. The amount previously paid was \$31,373. The application amount is \$1,212,397.88, leaving a balance as you could see of \$1,212,397.88.

Mr. Flint: This is the form of the requisition that was transmitted to the Trustee. Those funds were paid out of the Acquisition and Construction Account. The requisition was signed by the District's consulting engineer as well as myself on behalf of the District. So, we're asking the Board to ratify the requisition.

Mr. Kenneth Colen: Let's take each one individually. I need a motion ratifying Requisition #2.

On MOTION by Mr. Brunner seconded by Ms. Layman with all in favor Requisition #2 for Series 2022B was ratified.

Mr. Kenneth Colen: Requisition #3 is \$888,763.40. It was signed by Mr. Gene Losito, who is Project Manager and engineer. I need a motion accepting Requisition #3.

On MOTION by Ms. Layman seconded by Mr. Brunner with all in favor Requisition #3 for Series 2022B was ratified.

TENTH ORDER OF BUSINESS

Other Business

Mr. Kenneth Colen: Is there any other business to come before the Board?

Mr. Flint: I wanted to give an update on the bond validation. The bond validation hearing has been set for August 8th at 9:15 a.m. That's being handled by Mr. Jonathan Johnson with Kutak Rock. We'll keep you posted on the results of that hearing.

Mr. Kenneth Colen: Very good.

ELEVENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Kenneth Colen: Do we have any Supervisors requests? Hearing none, we need a motion to adjourn.

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Bruner seconded by Ms. Layman with all in favor the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman