

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, January 3, 2023 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 (<i>via phone</i>)	Vice Chairman
William D. McLeod, Jr.	Assistant Secretary
Jo Layman	Assistant Secretary
John Gysen	Assistant Secretary

Also present were:

George Flint	District Manager
John Beck	District Counsel
Bryan Schmalz	BLCCDD
Crystal House	BLCCDD
Michael Baldwin (<i>via phone</i>)	Underwriter

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 in person with the exception of Mr. Brunner who was present via phone.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Colen: Is there anyone in the audience who wishes to address the Board? Hearing none. I will close the public comment period.

THIRD ORDER OF BUSINESS

Notice of Meeting

Mr. Kenneth Colen: The notice of meeting was duly advertised and noticed on September 27, 2022 in the Ocala Star Banner.

FOURTH ORDER OF BUSINESS

**Ratification of Series 2022B Requisitions
#12 - #13 – Item Updated**

Mr. Kenneth Colen: The next item is the ratification of the Series 2022B Requisitions #12 and #13. Mr. Schmalz, is there anything that would like to tell us about these?

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. There is nothing specific. There are two requisitions related to the pay applications to Wharton-Smith for the construction of the North Water Reclamation Facility. You'll see spreadsheets within each document detailing the costs.

Mr. Colen: Yeah. These are really bad copies. You can't really see the numbers. To summarize, the application amount is \$2.7 million that they're requesting.

Mr. Schmalz: Yes, sir.

Mr. Colen: As best I can tell, it covers some general conditions and site clearing, I believe.

Mr. Schmalz: Yes, pipe work for the rapid infiltration basin.

Mr. Colen: Some construction, air release. What else in there?

Mr. Brunner: I believe cattle guards are in there also.

Mr. Colen: Yeah. Can't forget that. We don't want cows getting into the plant. Okay. Anyway, the site is listed there.

Mr. Schmalz: For the future, we'll make sure to provide a separate PDF of that outside of the agendas, if that's okay with Mr. Flint, for the Board's review prior to the Board meeting.

Mr. Flint: Yes

Mr. Colen: Requisition #13 was for \$2.254 million. That is for work completed to date.

Mr. Schmalz: Yes. That includes, again, general fees, off site sight line work related to the transmission mains, air release valves associated with that and under piping.

Mr. Colen: There is a lot of off-site construction work that would be completed right away.

Mr. Schmalz: Yes sir, submittals for the pre-stressed ground storage tanks are included in that. We're also performing a lot of compaction ground injection.

Mr. Colen: Yes

Mr. Schmalz: That's a large number there, \$232,000 plus an additional \$50,000.

Mr. Colen: I see it.

Mr. Schmalz: Then we also have more earthwork for the rapid infiltration basins. We're looking at, again, a lot of in and under piping that's happening on the site, which includes pipe

placements in and under structures. Electrical temporary services have been installed on-site. That way, the main contractor has power to do the work that they need. The off-site fiber conduit has been installed as well. Then looking at the equipment, we're now going through the submittal process and you'll see cost associated for the submittals with the vendors that are providing the equipment for the scope of the job.

Mr. Colen: Alright. Very good. Thank you. We need a motion ratifying payment on these Requisitions #12 and #13.

On MOTION by Mr. Gysen seconded by Mr. Brunner with all in favor Requisitions #12 - #13 for Series 2022B were ratified.

FIFTH ORDER OF BUSINESS

Ratification of SWFWMD Cooperative Funding Initiative Project Agreement

Mr. Colen: Next is the ratification of the Southwest Florida Water Management District (SWFWMD) Cooperative Funding Initiative Project Agreement. It looks like the anticipated cost is \$383,800. The District shares \$191,900, meaning SWFWMD and then the cooperator, which is the Bay Laurel Center CDD, shares the same \$191,900. This was executed back in December of 2022. Do you have any comments on this, Mr. Schmalz?

Mr. Schmalz: I would just note to the Board that we previously have been conducting annual programs. This particular program is for a two-year cycle, due to the Water Management District expressing the low funding that they're going to be having in the upcoming year and the previous low participation rate we have had. We decided to increase the expected cost, but then spread it out over two years for the project. So, the cost that you had described, Mr. Colen, is across two years.

Mr. Colen: Okay. I was just asking. So, that cuts this back on the number of homes, but we'll get there in time. I need a motion ratifying and accepting the Cooperative Funding Initiative with the SWFWMD.

On MOTION by Mr. McLeod seconded by Mr. Gysen with all in favor the SWFWMD Cooperative Funding Initiative Project Agreement was ratified.

SIXTH ORDER OF BUSINESS

Ratification of Standard Potable Water, Wastewater and Reclaimed Water

Agreement (SDA) with LS Enterprises Florida, LLC

Mr. Colen: Next is the ratification of the Standard Potable Water, Wastewater and Reclaimed Water Agreement. This came about because Marion County allowed a land-use change outside of their rules and regulations. But rather than sue the county to reverse it, there's been some heavy negotiations to try to set it right. The county has to make some significant changes to their Comprehensive Plan to bring this in. But one of the requests was that they connect into the District. I think this is a one-acre site.

Mr. Schmalz: Yes.

Mr. Colen: To connect into the District for potable water and wastewater removal. This is our standard development agreement. They pay all fees and expenses associated with it. So, I need a motion to ratify this agreement and I'll happily answer any questions that you might have.

Ms. Layman MOVED to ratify the Standard Potable Water, Wastewater and Reclaimed Water Agreement with LS Enterprises Florida, LLC and Mr. McLeod seconded the motion.

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

On VOICE VOTE with all in favor the Standard Potable Water, Wastewater and Reclaimed Water Agreement with LS Enterprises Florida, LLC was ratified.

SEVENTH ORDER OF BUSINESS

Consideration of Agreement with LLS Tax Solutions to Provide Arbitrage Rebate Calculation Services for the Series 2011 Bonds

Mr. Colen: Next is an agreement with LLS Tax Solutions to provide arbitrage rebate services.

Mr. Flint: Yes, Mr. Chairman. The District is required to do an arbitrage calculation every five years by the IRS. We do it annually. The cost is the same as if we were to do it every five years. This is with LLS Tax Solutions for \$550. We're just asking the Board to approve it.

Mr. Colen: We do this every year.

Mr. Flint: Every year. This is for the series 2011 bonds, which were just refinanced. But this still applies because it's looking backwards, not forward.

Mr. Colen: Yeah. It's a retrospective. Next year, we'll be doing it for something else.

Mr. Flint: This is for 2022.

Mr. Colen: The 2022 bonds. I need a motion accepting the LLS Tax Solutions proposal.

On MOTION by Mr. McLeod seconded by Mr. Gysen with all in favor the Agreement with LLS Tax Solutions to Provide Arbitrage Rebate Calculation Services for the Series 2011 Bonds was approved.

EIGHTH ORDER OF BUSINESS

Other Business

Mr. Colen: We have some other business, Mr. Flint.

Mr. Flint: Mr. Chairman, we have Mr. Mike Baldwin, our Underwriter, on the phone. He wanted to give a brief overview of the refinancing of the 2011 bonds that have been priced. It was scheduled to pre-close today. Both the Indigo and the Bay Laurel Chairman are signing the documents and I think it will actually close on the 10th of January. Mike will now give an overview of the refinancing.

Mr. Baldwin: Thank you, George. Mr. Mike Baldwin with Jefferies, the District's Senior Underwriter. As you may recall, when we placed the new money portion of the Series 2022 bond issue back in May, interest rates were such that we were not able to refinance the Series 2011 bonds and those savings threshold. After that time, I think in September, we had the Board enter into an Interlocal Agreement with Indigo East to issue the tax-exempt bonds with Indigo East being the issuer. Ever since that time, it was during that period from mid-September to the beginning of late November, interest rates increased and we weren't able to meet the savings threshold. Towards the end of November, beginning of December, rates improved pretty quickly. To make a long story short, on Wednesday, December 14th, we were able to price the refunding of the Series 2011 bonds and achieve present value savings of \$1.075 million, gross savings of approximately \$2 million and the minimum savings threshold of 3%. We were able to achieve 3.65%. What was interesting, and probably if we waited one more week, we wouldn't have been able to get to the deal because interests rates once again increased. They've increased approximately 15 basis points since December 14th. We were able to get four investors, one being U.S. Trust, another one being Spring Lake, then Singer Family Trust and the last one was 15th Amendment. All in all, I think it was great execution. We were patient with it by waiting a few months and were happy to be able to get that done for you guys. With that, if anyone has any questions regarding the sale, I'm able to answer those.

Mr. Colen: Are there any questions regarding the sale of the refunding bonds? Alright.
No questions. Thank you. Michael. I appreciate it.

Mr. Baldwin: Thank you.

Mr. Colen: Is there any other business?

Mr. Flint: That's all I'm aware of.

NINTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Colen: Are there any Supervisor Requests? Hearing none, Counsel, do you have anything to add?

Mr. Beck: Nothing to add at this time.

Mr. Colen: Counsel has nothing to add at this time. So, we need a motion to adjourn.

TENTH ORDER OF BUSINESS

Adjournment

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


Secretary/Assistant Secretary


Chairman/Vice Chairman