

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, August 16, 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	Vice Chairman
William D. McLeod, Jr.	Assistant Secretary
Jo Layman	Assistant Secretary
John Gysen	Assistant Secretary

Also present were:

George Flint	District Manager
Gerald Colen	District Counsel
Rachel Wagoner	Kutak Rock, LLC.
Crystal House	BLCCDD
Bryan Schmalz	BLCCDD
Sarah Cooper	BLCCDD
Bob Gang <i>by phone</i>	Bond Counsel
Tamaa Patterson	Underwriter
Residents	

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.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Kenneth Colen: At this time, we will open the meeting for public comment. If you have any comments on the budget or the rates, it would be appropriate to wait until that portion of the hearing because we'll reopen it again with public comment after each of the two public hearings. Is there anyone who has any comment that wishes to address the Board right now? Mr. Gerald Colen, state your name and address for the record.

Mr. Gerald Colen: Mr. Gerald Colen, District Counsel, but I'm not here for that purpose. Most of you know about the passing of Mr. Richard "Dick" Belz. He was a longtime member of this Board of Supervisors and a great friend of the community and of his work. Dick was always highly prepared. He was the first person to comment on corrections to the minutes. He had spotted every comma and every word that was misspelled. He was a wonderful man. He was a very close personal friend of mine, and the truth is, the loss of his friendship to me is irreplaceable. If Dick were here, he would be laughing at me, but he was a very special person to on Top of the World (OTOW) and the Bay Laurel Center CDD. Thank you for allowing me to speak.

Mr. Flint: Is there anyone else who wishes to address the Board at this point in time? If so, step up to the microphone and state your name and address for the record.

Resident (Christine Remmert, 7858 SW 84th Loop): I've only been here six months, but I happened to see the notice about this rate hearing. There was a little blurb on the messages in my bill. That's all I ever saw. Then I get here and see all of these documents. Why wasn't there a red thing in our bill announcing this? Most people that I talked to didn't know about it and now I'm here and not having a chance to read through these. I feel like as a resident of the community, we have not been properly informed of this meeting or the rate hearing. Just a little blurb under messages is all I ever saw.

Mr. Kenneth Colen: Alright. Thank you. Step up, state your name for the record and your address.

Resident (Joe Brault, 8355 SW 84th Place Road): When I purchased my house, they told me that the water bill would be an average of \$60 a month. They didn't tell me that if I use more than a certain amount of water, I would have to pay an increased amount of gallons. I happened to pick out a large lot because I thought it was a good deal, so I got the largest lot that I could find. Now, because of that, I'm penalized every month because I have to water it. If I don't water it, it's going to turn brown. I've taken out all kinds of grasses and put in all kinds of trees. I still follow the rules. I water it twice a week. I only water 15 to 18 minutes at a time, and I still can't get anywhere close to the amount of water that I should be using. So, I don't understand why I should be penalized for having a big lot. That's what I feel.

Mr. Kenneth Colen: Thank you for your comment. Does anyone else wish to address this Board? Step up and provide your name and address for the record, please.

Resident (John Maggio, 8644 SW 83rd Loop): Just a point of clarification, is this for any comment?

Mr. Kenneth Colen: Any comment relating to the District, but not the water rates or the budget.

Resident (John Maggio, 8644 SW 83rd Loop): Just to back up a little bit, we moved here four years ago. Regarding where I'm from, if my accent doesn't give it away in the first three minutes, I'm from New York. Our water bills in New York in drought conditions, are maybe \$100 a quarter, not \$100 a month. We come here, and my first bill was I think \$135. We started talking to neighbors and going around and all of that. Well, one of the things and I'm sure Mr. Kenneth Colen probably doesn't remember, but I'm one of those people who is not in my house for sometimes as much as three to four months. I still pay a wastewater bill for not using not one drop of wastewater. In a letter I wrote, I said, "*Why can't that be done?*" I've done a little bit of research and there are other communities in Florida that separate the two bills; one for irrigation and one for the house. I don't know what the cost of doing that is or why it wasn't done, but as far as I'm concerned, the water bill I sort of understand. That's something we'll go into more, I guess, regarding the budget. But in terms of usage, I feel it's not really explained well about why we pay a wastewater amount when there's no wastewater at all. That's really my main issue aside from some of the bills and some of the other things. As this gentleman said, if you try to follow that pattern, especially if you have Zoysia grass like I do, you have to water each section, 45 minutes easily, especially during this time of year. Otherwise, forget it, it's brown. So, you're kind of caught in that trap. If I don't water it, I get brown grass, but if I do water it, my bill goes through the roof. That's my comment. Thank you.

Resident (Cary Schiltz, 9294 SW 104th Terrace): I have several comments. I noticed on the expense side, electricity is a fairly large expense, yet I have not seen any effort being made with solar panels, wind turbine or conservation concerns with regard to electricity. Maybe there should be some future thought along those lines to where the cost of electricity is lower for us all, if we spend some money on green energy and have renewable resources. The other comment that I have is from the standpoint of the rate hikes. I wonder why existing homeowners have a rate hike when, in essence, the new people should be paying for it. Why isn't there a higher tap in charge or a tap in charge for new construction, new homes? The old folks shouldn't be paying for new. New homeowners should be paying. Those are my comments. Thank you.

Mr. Kenneth Colen: Thank you. Please state your name and address for the record.

Resident (Alex Borsos, 8743 SW 90th Lane, Unit C): About three weeks ago or maybe a month ago, I became aware that there were some water problems on our street. People across the street from me said that their lawn had not been watered. Then somebody said, *“Have you taken a look at your lawn? Your grass is turning brown.”* I found out that the water meters had been down for about three or maybe four months and one resident had complained and nothing was done. I checked with a couple of neighbors and I went down to customer service and put in a work order to have what was going on. I would say it took about a week-and-a-half before someone came out to check and there was just a broken wire on the timer. Why did it take so long to get that fixed and considering the fact that we were not getting any water, will we get a rebate or reduction in our monthly fee for about four months’ worth or some kind of credit?

Mr. Kenneth Colen: Thank you. Are there any other comments? Hearing none, I will close public comments. Thank you all who participated. We'll answer your questions in the course of the meeting, since the majority of the questions dealt with rates. We'll take it in that case because by extension, you have a budget and you have to fund the budget. This organization, this body funds through a rate structure for usage. To the first respondent, I will say that after calling meeting to order, I failed to ask for the notice of publication.

THIRD ORDER OF BUSINESS

Notice of Meeting

Mr. Flint: Yes, Mr. Chairman. You will see the Affidavit of Publication in your agenda. We advertised the meeting on July 26th in the Ocala Star Banner. There was also a notice for the rate hearing that was run 29 or 28 days in advance of today.

Mr. Kenneth Colen: Right. Those are published in the Ocala Star Banner as required by Statute. You can see a notice on your bill, but you also need to follow along in the newspaper to be abreast of the when meetings are noticed. You can go to the website and download the entire package or just view it online.

FOURTH ORDER OF BUSINESS

Organizational Matters

A. Discussion of Board Vacancy with Term Ending November 2024

Mr. Kenneth Colen: We have a vacancy on the Board because of the untimely passing of Mr. Richard Belz, and it's the Board's prerogative to appoint someone to fill the vacancy. In that regard, I nominate Mr. John Gysen to fill the unexpired term of Mr. Richard Belz. Is there a second to my nomination?

Mr. Brunner: I second the nomination.

Mr. Kenneth Colen MOVED to appoint Mr. John Gysen to fill the unexpired term of Mr. Richard Belz ending November 2024 and Mr. Brunner seconded the motion.

Mr. Kenneth Colen: Is there any discussion from the Board? Hearing none,

On VOICE VOTE with all in favor the appointment of Mr. John Gysen to fill the unexpired term of Mr. Richard Belz ending November 2024 was approved.

Mr. Kenneth Colen: Very good. Mr. Gysen, if you would join us up here, please. I'm glad to have you.

Mr. Flint, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Gysen.

B. Consideration of Resolution 2022-11 Electing Officers

Mr. Kenneth Colen: Next is the consideration of Resolution 2022-11, which reads:

"A RESOLUTION ELECTING OFFICERS OF THE BAY LAUREL CENTER COMMUNITY DEVELOPMENT DISTRICT."

Mr. Brunner: I nominate Mr. Kenneth Colen as Chairman.

Mr. Brunner: I second the nomination.

Mr. Kenneth Colen: Thank you. I guess we should just make the nominations and then vote.

Mr. Flint: You could do it in one motion, if someone wanted to make a motion to elect a slate of officers or we can take each seat individually.

Mr. Kenneth Colen: Let's have a motion for a slate of officers. We have Mr. Kenneth Colen as Chairman. I would nominate Mr. Paul Brunner as Vice Chairman and Mr. William McLeod, Ms. Jo Layman and Mr. John Gysen as Assistant Secretaries.

Mr. Flint: In addition, Mr. Chairman, I was the Secretary, Ms. Jill Burns was Treasurer, and I'd like to make Ms. Hannah Henry an Assistant Treasurer, if you're amenable to that.

Mr. Kenneth Colen: I will add that to the motion, if the Board is in agreement.

On MOTION by Mr. Brunner seconded by Ms. Layman with all in favor electing the slate of officers as evidenced by the adoption of Resolution 2022-11 Electing Officers was approved.

FIFTH ORDER OF BUSINESS

Approval of Minutes

- A. April 27, 2022 Meeting**
- B. May 17, 2022 Meeting**
- C. June 21, 2022 Meeting**
- D. July 19, 2022 Meeting**

Mr. Kenneth Colen: We have the approval of the minutes. What I'd like to do, is to go through all of the minutes and note any corrections and then we'll vote on all the minutes. First, we have the April 27, 2022 minutes. You've had an opportunity to review them. Are there any corrections? I found none.

Mr. Brunner: I found none.

Mr. Kenneth Colen: Next are the minutes of May 17, 2022 meeting. Are there any corrections?

Mr. Brunner: Again, I found none.

Mr. Kenneth Colen: Next are the minutes of the June 22, 2022 meeting. Are there any corrections?

Ms. Layman: It says June 21st.

Mr. Kenneth Colen: June 21st. Thank you very much.

Mr. Brunner: Again, I found none.

Mr. Kenneth Colen: Alright. Thank you. Last are the minutes of the July 19, 2022 meeting. Are there any corrections?

Ms. Layman: None.

Mr. Kenneth Colen: Very good. Thank you. I'd entertain a motion for the approval of the April 27th, May 17th, June 21st and July 19th, 2022 meeting minutes.

On MOTION by Mr. Brunner seconded by Ms. Layman with all in favor the Minutes of the April 27, May 17, June 21 and July 19, 2022 Board of Supervisors Meetings were approved as presented.

SIXTH ORDER OF BUSINESS

Acceptance of Utility Systems

- A. OTOW CHW Ashford & Balfour**
- B. OTOW Cody's at Canopy Oaks**
- C. Earl Township Roadway Extension**
- D. Ina A. Colen Academy**

Mr. Kenneth Colen: Next is the acceptance of utility systems for the OTOW neighborhoods of Ashford and Balfour, which had \$2,429,000 worth of improvements, Cody's at Canopy Oaks, which had \$55,000 plus worth improvements, Earl Township Roadway Extension, which had \$2,053,509 worth of improvements and Ina A. Colen Academy, which had \$582,744 of improvements. We need a motion to accept these utility systems.

Mr. Flint: Mr. Kenneth Colen, before you do that, I think Bryan had a comment.

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. I'm requesting that the Board table the acceptance of the Ina A. Colen Academy utility system until the next Board meeting to allow for the correction of quantities, which will adjust the Bill of Sale for that project.

Mr. Kenneth Colen: Alright. We need a motion to table agenda Item 6D to the next meeting.

On MOTION by Mr. Brunner seconded by Mr. McLeod with all in favor tabling the acceptance of the utility system for Ina A. Colen Academy to the next meeting was approved.

Mr. Kenneth Colen: We need a motion then to accept agenda Items 6A, 6B and 6C as presented.

On MOTION by Mr. Brunner seconded by Ms. Layman with all in favor the OTOW CHW Ashford & Balfour, OTOW Cody's at Canopy Oaks and Earl Township Roadway Extension utility systems were accepted.

SEVENTH ORDER OF BUSINESS

Public Hearings

A. Fiscal Year 2023 Budget

1. Consideration of Resolution 2022-12 Adopting the Fiscal Year 2023 Budget and Relating to the Annual Appropriations

Mr. Kenneth Colen: The first public hearing is for the Fiscal Year 2023 Budget. For the Board's consideration is Resolution 2022-12 Adopting the Fiscal Year 2023 budget relating to the annual appropriations. The short title of the resolution is:

“THE ANNUAL APPROPRIATION RESOLUTION OF THE BAY LAUREL CENTER COMMUNITY DEVELOPMENT DISTRICT (“THE DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022, AND ENDING SEPTEMBER 30, 2023; AND PROVIDING AN EFFECTIVE DATE.”

Mr. Kenneth Colen: Who's going to address this and walk us through the budget?

Mr. Flint: I'll just briefly introduce it and then Bryan can provide more detail on the budget. Just for the benefit of the audience, the Bay Laurel Center CDD is a government entity. It's a special purpose District created under Chapter 190 of the Florida Statutes. We have to follow all of the same budget adoption and rate setting requirements that cities and counties and other governmental entities are required to follow. In the case of the budget adoption process, the Board previously had a Proposed Budget on their agenda. They approved the Proposed Budget and set the public hearing for today for its final consideration. Included in that Proposed Budget was a proposed adjustment to the rates. That requires the Board to hold a rate hearing, which has to be advertised in the newspaper 29 and 28 days in advance of today. We also posted on the bill a notification for customers of the hearing today. In addition, the District is required to have a website and all of this information is provided on the website. Today, the Board is holding the public hearing. Bryan, do you want to present the budget?

Mr. Schmalz: Yes. Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. There were some slight changes to the budget from what the Board approved at the May meeting. We did increase our rentals and leases slightly due to the postage and inserting machines. Currently, the District has to pay a company to mail a lot of the letters we do, notifying residents of continuous leaks. So, we're going to be doing that in-house to try to reduce some of the cost for

that particular equipment. Electricity did increase as was mentioned earlier, as we have seen large increases in rates. As we grow, we continue to produce more water and treat more sewage, which also requires the additional use of electricity. Fuel, as everybody knows, increased dramatically for diesel as well as gasoline. We have a lot of vehicles as well as numerous generators that require diesel fuel in order to keep running. Safety increased as well and that's something we've seen for the past few years after COVID. A lot of the safety PPE equipment that we need to safely do our job, has increased in cost. So, we increased that line item from the May meeting. Regarding renewal and replacement line items, this existing Fiscal Year 2022, we did have some projects that were not completed such as painting Water Treatment Plant (WTP) Number (No.) 1, which was last completed in 2008 and WTP No. 3, which was last completed in 2009. That has been brought over from the 2022 budget into the 2023 budget. The Well No. 7 building at WTP No. 1, has T-111 siding on the side of it that needs some replacement. So, we're looking at replacing that as well. That was a budgeted item for 2022 that was unable to be completed this year. It will be shifting over to the 2023 budget. Then we have the WTP No. 3 chemical building repairs that we have to do on the metal building there. We have some rusting and painting that needs to be done at that facility. The tractor loader with sweeper miscellaneous attachment was a line item that we increased based off of the latest quote that we received from the supplier. The same with the ground penetrating radar machine as well as the redundant control systems for high flow lift stations. Those prices have all continued to increase with shortages. So, we had to modify the budget slightly due to that. The same with the reclaimed water high service pump station PLC upgrade. The Florida Department of Environmental Protection (FDEP) re-permitting is due this next budget year. All of those line items were increased slightly from the May budget. If the Board has any specific questions on the line items, I can address those.

Mr. Kenneth Colen: Does the Board have any questions for the Utility Director? Very good. Thank you. I'll open the floor for public comments on the budget. Is there anyone who wants to specifically address this budget? I will ask one question, Mr. Schmalz, and that is with respect to solar. Why don't we do solar?

Mr. Schmalz: It is something that we've looked at. The problem is you need real estate. We don't have a lot of property to put the solar panels on. Then the items you run into is the degradation of the solar compared to the amount of electricity that we use. As the equipment

becomes more efficient, more cost-effective, we will continue to monitor for that in order to potentially utilize that in the future. But at this time, it was not cost beneficial to the District for the capital cost of the equipment and the ultimate offsets. We use a lot of electricity. It does benefit a lot of commercial buildings. I know OTOW has numerous buildings such as the Rec Center, Sidney Colen & Associates and the golf course maintenance shop, which have been able to see a real benefit from solar panels, but the amount of energy utilized at those locations are much less.

Mr. Kenneth Colen: I was going to say dramatically less. The amount of kilowatt hours for the hundreds horse motors and larger consumers, is pretty stunning.

Mr. Schmalz: Yes. So, when it comes to electricity on the water side, we have all the way up to 300 horsepower motors that are producing water out of our facilities. We have groundwater wells that are up to a 100 horsepower in size, that are running 10 to 12 hours a day, producing water and then treating it and pressurizing it into our customer base. Another different aspect of electricity at the Wastewater Treatment Plant (WWTP) is that we operate a biological aerobic treatment process. While WTPs are using more electricity when there is a demand, we're still using electricity at the WWTP regardless of an actual demand occurring at the plant where people are flushing and sending wastewater to us to treat. As an example, at 2:00 a.m. when everybody is sleeping, we're still having to run aeration equipment and keep our biological process alive and active to treat the morning flow that comes in the next day.

Mr. Kenneth Colen: Talk about the meters that you use to regulate runtime.

Mr. Schmalz: Yes. At our facility, we use what's called an ORP, which is short for oxidative reductive potential. It is a more efficient way of measuring dissolved oxygen levels and we're able to prevent ourselves from over-aerating. We started utilizing those approximately four years ago, maybe a little longer. What we saw was a reduction in our power bill because even though the DO meters we're at 2 to 3 milligrams per liter, we're able to reduce runtime and really hone in and target the perfect dissolved oxygen level, by using ORP as a measurement, which is basically the conductivity of the water.

Mr. Kenneth Colen: That saves on wear and tear of equipment as well as provides a benefit and reduce runtime.

Mr. Schmalz: Absolutely. Operation and maintenance (O&M) costs are reduced, electricity is reduced and the expected useful life of the equipment is extended.

Mr. Kenneth Colen: Are there any other ways that the District pursues conservation measures?

Mr. Schmalz: Yes. As far as electricity goes, another way we also look at conservation is the way we start and stop equipment. All of our newer facilities have what's called variable frequency drives (VFDs). Years ago, you had a pump that was at 0 RPMs and then when it turned on, it went to 1,800 RPMs. When you turn the pump on and go full speed like that, you create a very large in-rush current, which creates a large electrical demand. The VFDs allow the equipment to turn on at a slower rate of speed, reducing the demand initially, but instead of the equipment turning on and turning off constantly, it now stays on and maintains pressure continuously. That old saying a lot of people remember is, *"It's better to leave a light on than to turn it off and on continuously."* That's the case when it comes to the big equipment. It absolutely matters. So, we look at the way that we fill our ground storage tanks next to WTPs. Years ago, we used to want to keep them full all the time, but now, we let it empty more, so when we turn that equipment on, it turns on and stays on longer. We also do that at our Lift Stations, which pump wastewater from the communities, all the way to the WWTP. The mindset years ago was, we want to keep it empty because if something goes wrong, we want to have time to react. Well, we looked at letting it fill a little bit more within safe reasons, so when that submersible pump turns on, it turns on and stays on longer, reducing our overall demand in electrical consumption. When we actually went through all of our Lift Stations years ago, we actually realized savings of approximately \$70,000 a year when we did that. That's the same practice we continue moving forward with for all of our new Lift Stations that are coming online in our service area. We also now require soft starters on any pumps larger than 20 horsepower, again, reducing our electrical demand when that equipment initially starts up.

Mr. Kenneth Colen: Thank you.

Mr. Schmalz: You're welcome.

Mr. Kenneth Colen: Are there any other questions? Alright. Again, it is open for public comments still. Hearing none, I will close it for public comments and bring it back to the Board for the consideration of Resolution 2022-12, which is:

"THE ANNUAL APPROPRIATION RESOLUTION OF THE BAY LAUREL CENTER COMMUNITY DEVELOPMENT DISTRICT ("THE DISTRICT") RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE

BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022, AND ENDING SEPTEMBER 30, 2023; AND PROVIDING AN EFFECTIVE DATE.”

On MOTION by Mr. Brunner seconded by Mr. McLeod to adopt Resolution 2022-12 Adopting the Fiscal Year 2023 Budget and Relating to the Annual Appropriations by roll call vote:
Supervisor McLeod: Aye.
Supervisor Brunner: Aye.
Supervisor Layman: Aye.
Supervisor Colen: Aye.
Supervisor Gysen: Aye.
Motion Passed 5-0.

Mr. Kenneth Colen: Thank you very much.

B. Fiscal Year 2021 Rates

1. Consideration of Resolution 2022-13 Adopting the Proposed Rate Schedule for Fiscal Year 2022-2023

Mr. Kenneth Colen: Resolution 2022-13 is:

“A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BAY LAUREL CENTER COMMUNITY DEVELOPMENT DISTRICT ADOPTING A PROPOSED RATE SCHEDULE FOR WATER AND WASTEWATER IN ACCORDANCE WITH CHAPTER 190 FLORIDA STATUTES; PROVIDING AN EFFECTIVE DATE.”

Mr. Kenneth Colen: Alright. Who wishes to address this from our District?

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. The District performed a Rate Study with Wildan Financial Services in 2018. We set forth the next five years of recommended rate increases based off of the cost at the time to the District. The recommendation that was adopted by the Board of Supervisors was a 3% increase in water charges and a 4% increase in the wastewater charges. What does that look like to the residents in dollars? It takes a 3,000-gallon water bill, which is currently \$72.06, including base fees and volumetric charges, and brings it to \$74.68, which is a \$2.62 increase. When you look at a 15,000-gallon water bill, we go from \$113.31 to \$117.23, which is a \$3.92 increase. Once we go beyond that gallon, that's really the area we define as conservation tiers. As a part of our Water Use Permit with the Southwest Florida Water Management District (SWFWMD), we're required to have a tier system. So, that way, it's an economic incentive for residents to reduce their consumption as they continue to use more water. All utilities typically do this. I know in Florida

it's a very common practice and it's a requirement of our Water Use Permit. We have been doing it prior to 2008 in our utility here and the conservation tiers have become more aggressive over the years, due to the Water Management District (WMD) becoming more aggressive with the District in regards to compliance issues, because our residents consume more water than what they feel are allowable. So, when you use 30,000 gallons of water a month, which is three times the WMD permitted water usage from a single home, your bill will go from \$210.56 to \$217.38. At 50,000 gallons, a resident's bill would increase from \$431.36 to \$444.58, which is \$13.22 increase. We have many homes that use more water than they should. One of the questions we are routinely asked, is how many residents are actually using water in these elevated categories. Upon reviewing the billing records from June of 2022, 540 homes used 30,000 gallons or more in our service area. Of these 540 homes, 76 residents utilized over 50,000 gallons and two used over 100,000 gallons. So, upon reviewing the billing records from July 30, 2022, 302 homes used 30,000 gallons of water. Of these 302 homes, 59 homes used 50,000 or more gallons and eight residents used more than 100,000 gallons of water in that month. May is always a dry period and then we start getting into our rainy months, so, you'll typically see heavier usage. As far as use over the allowable per the WMD, at this these meetings, we discussed the 150 per capita number quite often. For residents that are attending today, the SWFWMD allows 150 gallons per person per day. Per household per census, they allow 2.01 persons per household. So, it gives you a little over 300 gallons a day. Then when you multiply that out by an average month of 30.4 days, each home here for indoor and outdoor use, are allowed to use 9,165 gallons of water. Under 10,000 gallons is where our residents should be. That's our target and what we're required to adhere to by our Water Use Permits. If we don't adhere to that, we become noncompliant with SWFWMD and they have the ability to fine the District \$10,000 per day that we are in noncompliance, which adds up fast. We don't want that, so we have a lot of conservation programs that we're currently working with residents on. We've adopted new standards moving forward for new homes to keep them under 9,165 gallons. We currently have incentive programs that residents can participate in that will help them reduce their existing usage on homes that are designed for the high efficiency of less than the 9,165 gallons. We also send out a postcard. Some residents received postcards with a sad face. Anybody utilizing over that 9,165 gallons, will receive a postcard from us with a sad face on it, letting them know that they could do better. Then we even take it a step further. We always read meters once a month

for billing purposes. Here, recently, in order to improve upon our water conservation efforts, we started reading water meters twice a month, one for billing and the other for informational reasons. The reason why is if I read your water meter today, tomorrow, a leak could start at your home. By the time we read it a month later and we actually mail you the bill, it could be up to 45 days before we're able to notify you that you have a leak on your bill or you see that elevated usage. So, we wanted to have a more proactive approach in notifying our residents of their elevated usage or that they have a leak in their home. We read twice a month now and take that information. Any home that has a continuous leak noted at the time of reading, because your meters will tell us if you're using water continuously when we read them, we send a letter out to that resident notifying them of that. We provide information in that letter informing them of things to check in the home from leaking faucets, water softeners that have failed and constantly backwashing and irrigation system issues such as a leaking diaphragm. There's a whole list of items that we provide to our residents. Those are some of the items that we do. We even take in the top 25 users. Now, that sounds like a good thing, but it's a bad thing. We will actually download the information out of your water meter. We can download 96 days of hourly water usage out of your water meter. We will go look into your home and see why this house is using so much water and where the water is going. We can tell when it went, but not necessarily where it went. But if I look at your home and I see elevated usage on Monday, Wednesday and Friday of every week and it starts at 3:00 a.m. and ends at 7:00 a.m., that's typically irrigation. So, we're able to look at those time periods and attribute it to irrigation usage at the homes as being the primary culprits. Those are some of the things that we do to try to get our residents to reduce their water, but that's why we have the conservation tiers. Then the rates that we're presenting today are the ones that the Board previously adopted in 2018. We are scheduled to do another Rate Study next year. In the budget, there is a 2023 Rate Study. We will be looking and evaluating that at that time.

Mr. Kenneth Colen: Okay. The SWFWMD entered into an agreement with the Bay Laurel Center CDD on cost share for certain conservation improvements. Would you address those?

Mr. Schmalz: Yes. So, the SWFWMD entered into an agreement with the Bay Laurel Center CDD for four programs. The first program that I mentioned, we've been doing three years now, is an irrigation controller and Rain Sensor Replacement Program. You would have your

own irrigation system that you control, but you do not have a smart irrigation system, which is a standard clock and corkboard rain sensor. We will help fund up to \$350 towards replacing that irrigation controller with an evapotranspiration-based rain sensor or ET for short.

Mr. Kenneth Colen: Translate that.

Mr. Schmalz: It measures the solar radiation at your home every day and it will adjust the runtime. So, as an example, let's say we have Zone 1 set for 10 minutes, on a hot day it is going to run at 100%, but if it's a cloudy day, it will adjust to 70%. So, your zones that are running at 10 minutes will only run for 7 minutes saving you water. That's something it automatically adjusts to. The trick with those is getting the residents to leave them alone once they're set, because a lot of times residents will see 7 minutes and say, "*No, I set it for 10 minutes,*" but it's already doing the adjustment trying to save that resident water. We've seen savings up to 30% with that system. We've been very successful with that program. Another program that we also do, that is new this year, was a Showerhead Replacement Program. I never in the world thought that our residents would love free showerheads so much, but we gave away 800 showerheads in about two days. Unfortunately, we are out, but we will be doing another program the first of the year, for another 800 showerheads. What that does is it changes your existing showerheads to a low EPA water sensor labeled low-flow showerhead at 1.5 gallons per minute. I tried it out in my home. It actually is a hard spray, not a soft spray. It's actually better than the showerhead I had previously and it saves water. We're also doing the Toilet Rebate Program. Any toilets that are 3.6 gallons per flush or higher, we will help fund the replacement of those toilets up to \$100. That's been an actually relatively successful program this year, more so than I expected. If it uses more than 3.6 gallons per flush or more, we will help replace the toilet up to \$100 per toilet.

Resident (Barbara Adler, 8247 SW 78th Circle): How would we know?

Mr. Schmalz: If you contact the District, we will come to your home and evaluate the usage of your toilet. Other programs that we have is the Irrigation Audit Program, which I'm surprised we haven't had more participants. The Irrigation Audit Program, which sounds bad because nobody likes an audit, is really just an Inspection Program. We will send a Licensed Irrigation Auditor to your home to do a full evaluation on your irrigation system. It's a \$400 value. They'll make minor adjustments, make recommendations and evaluate the actual application rate at your home, which you can then apply to your irrigation system and reduce your overall usage. The gentleman will even give you an estimate to reduce water use. That's

something that's free. The District pays 100% of that and it's a \$400 value. Another program that we did this year, that was not associated with the WMD is a Turf Grass Reduction Program. Turf grass is the biggest user we have when it comes to irrigation. We've talked a lot about water conservation. In the last year alone, we produced 1.3 billion gallons of water. 83% of that water went to irrigation systems, not including golf courses. Only 17% of the water produced actually went to indoor purposes. So, we know where we need to focus our efforts, which is irrigation systems. In order to reduce turf, which is the heaviest user on landscaping, we will offer you a dollar per square foot of turf up to \$1,000, replacing it with a shrub bed and Florida friendly landscaping and adjusting your irrigation system. If you're planning on doing some modifications at your home, you can go ahead and expand that shrub bed and the District will help fund that to reduce the overall water use on the property. That one we've had some mild success with, but it has to be a resident that's planning to make those changes. We budgeted this year to reduce 75,000 square feet of turf. We believe that program will be beneficial for the District in achieving its overall goal of 150 per capita in our surface area. I hope that addresses your question.

Mr. Kenneth Colen: Are there any other questions from the Board for Mr. Schmalz before you open the meeting for public comment? Hearing none, thank you. Mr. Schmalz. If you have any questions, please step up to the mic and state your name and address for the record.

Resident (Barbara Adler, 8247 SW 78th Circle): What's the difference between turf and that stupid Zoyzia stuff that we've got?

Mr. Kenneth Colen: If it's on the ground and it's a grass. It's considered turf.

Resident (Barbara Adler, 8247 SW 78th Circle): Okay.

Mr. Kenneth Colen: The lowest user would be Bahia grass, which can look quite nice. We use a lot of them along the roadways. That an incredibly huge root mass underground that stabilizes it and enables the Bahia grass to be very, very drought resistant.

Resident (Barbara Adler, 8247 SW 78th Circle): It's Bahia?

Mr. Kenneth Colen: Bahia.

Resident (Barbara Adler, 8247 SW 78th Circle): Thank you.

Resident (Christine Remmert, 7858 SW 84th Loop): On that note, I had two soil tests done. One was done by the University of Florida. They told me to take samples, which I did, including under my mulch and it was pretty darn high. The pH was 8.2. They said that usually

OTOW skews pretty high. So, then I talked to Marion County and they told me to take more samples, one from each part of my yard separately, I still came up with a pH of 7.4. The pH is very, very high. One guy told me that it could take over a year or two to correct all of this. It's hard for me to even grow any grass because I've put good compost down there and soil and everything else. I'm sorry, it's terrible. The pH level is so high. Do I have to water more to compensate for that? What do we do, because I'm not the only one that's going to have a high pH, I'm sure.

Mr. Kenneth Colen: The pH level affects retention to nutrients. In that regard, it can influence grass. Most grasses that we use have a range of 6.8 to about 7.6 optimal pH zone. Like I said, that will affect nutrients, but it doesn't affect water retention.

Resident (Christine Remmert, 7858 SW 84th Loop): I'm just saying it's not even good soil to begin with. It's sand.

Mr. Kenneth Colen: It's the soil you've got.

Resident (Christine Remmert, 7858 SW 84th Loop): Yeah, it's pretty bad. I've been working at it for six months since I've been here and I just can't seem to improve anything.

Mr. Kenneth Colen: Thank you for your comments. Are there any others?

Resident (John Maggio, 8644 SW 83rd Loop): I'm actually happy to hear some of the things the gentleman said. I'd like to be able to know who I contact at Bay Laurel Center to take part in some of those programs, like irrigation checks. This is the first time I've ever heard of it and I've never seen any bill or anywhere it was stated. By the way, I received one of those sad face cards. I'm right within that range, but on that card, I don't remember the exact number, but the amount they said in terms of water was something like 6,000 gallons. I challenge anybody here. You may not have to shower in a month to get to 6,000 gallons. That's unrealistic. I fall within the 9,165 gallons. That's about right, but if it gets to 6,000 gallons, irrigation is the issue, not the use in the house. By the way, let me give you another complement, which was, I did get the letter about my constant running, which did turn out to be the water softener. Thank you for that, but it's the irrigation that overall, I think is the issue here. If it's 80% of the bill, that becomes the big issue. I don't know how to address it. Just like this lady said, I don't know who can water their grass for only 10 minutes. That's impossible. You'll have nothing but brown weeds. It has to be somewhere in the neighborhood. I've talked to several landscapers. They all come in as high as 50 minutes per zone. I've even turned off my drip line in the bushes because

the bushes are mature and still survive. They were right. If I lower my timer to 10, there will be no grass left. I'll be getting a letter from somebody saying, "*Your grass is dead.*" So, it's a catch-22. I do appreciate those programs that he mentioned and I'd like to know who I get in touch with at Bay Laurel Center for that. Thank you.

Mr. Kenneth Colen: You can go to the Bay Laurel office and inquire about any of these programs. Staff is ready, willing and able to help.

Resident (Jeannette Poe, Weybourne Landing): I'm new to the area. I just had a curious question. Do the meter readers come out to the house to do this twice a month or do you have a smart program that you read from the office? I have the hydro system. I'm just curious because there are so many construction workers. I haven't seen anybody come out, but that doesn't mean they haven't come. We just have everything so smart here? Do you read it online or do your meter readers actually come out?

Mr. Schmalz: We read the water meters. We drive by and all water meters transfer their reading into our truck receiver. Right now, we have about 10,800 water meters. It takes two employees six hours when they read. They drive by. They don't even necessarily have to come down your street. They have to come within about 1,500 feet of your home and your water meter will automatically transfer the read and any continuous leak flags into our system automatically. It's all done through the Cloud as well.

Resident (Jeannette Poe, Weybourne Landing): Then my other comment I think probably addresses what everyone here can relate. We're all seniors, some of us elderly. We're all on fixed incomes and the current administration in our US Government has made everything more costly. So, I can appreciate a lot of the line items that have been discussed that go up. We're in the same boat, but I have to admit, I'm shocked. I escaped California in 2019. I tried out Las Vegas, Nevada, but they have a terrible water shortage problem. Water is very expensive and we don't have any grass. It's a luxury if you see any grass. You're only allowed in the summer months to water three times a week and never on Sunday. Anyway, long story short, I am shocked at how much more I pay for water here with all of the rain that we have. Now, I have a green lawn. I have the smallest lot, but I'm just shocked at how high my water bill is. So, I'm going to make a general comment that as you're doing your budget, keep in mind we're all on a fixed income, most of us, and that really hurts. I have a big question on why this would be so much more expensive than Las Vegas, Nevada if it doesn't have any water. Thank you for providing this

explanation on what he's doing. I agree with you on the solar and everything right now. It doesn't make economic sense. Wait until it makes sense and where it's not made in China. That's all I have.

Mr. Kenneth Colen: Is there anybody else who wishes to address the board? State your name for the record and address.

Resident (Roberta Lily, 8556 SW 90th Lane): I'm very happy to be here. A question that I have heard around the pool is why are we paying for irrigation when we don't own the land?

Mr. Kenneth Colen: I'm choosing my words carefully. That is more of an association related question, but generally I will say that if you were in the maintenance secluded area, you have all of the right title and interest in the land for 100 years. You pay taxes on your home. You pay for the product for years, which is water and you pay for the treatment of that water. As far as the people who travel, wondering why they still have a utility bill when they're gone because, *"They're not using any water,"* the infrastructure is there and it needs to be maintained. Alright. So, you may not actually be flushing that toilet, but believe me, the infrastructure remains. Also, I will say that on your Tax Bill, you also pay for emergency services. Fortunately, no one here has to use those emergency services, but you're still paying for it.

Resident (Roberta Lily, 8556 SW 90th Lane): Okay.

Mr. Kenneth Colen: So, that's how utility bills and taxes are structured.

Resident (Roberta Lily, 8556 SW 90th Lane): Okay. Now the other thing is there are two water meters, one for the irrigation and one for the household use. I don't even own a hose and I never planted anything. Someone said that it's prorated according to how many houses are together. I live in a villa. I've never watered my driveway. You have people who wash their cars, wash their driveways down and power wash their houses. I don't do that, so why is that expense being passed on to me.

Mr. Kenneth Colen: Do you have any other questions?

Resident (Roberta Lily, 8556 SW 90th Lane): Just one and I may be out of order, but I have a moat in front of my house as sewer water stops here. Two people have said, *"Gee, I don't know what to do with it."* I've said, *"How about getting a chisel and knocking down the blockage."* There's a little lip there and I have standing water. Mosquitoes, love my house, by the way. There's always standing water in front of my house and my new roof is leaking.

Mr. Kenneth Colen: That is a customer service matter.

Resident (Roberta Lily, 8556 SW 90th Lane): Thank you for your time.

Mr. Kenneth Colen: Mr. Schmalz?

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. Just to be clear, I'm going to be addressing the rate structure. As far as Friendship Village, Friendship Colony and Americana, there is a meter for home indoor water in every villa, which includes typically one or two hose bibs. There's typically a hose bib on the outside of the garage on the villa. The irrigation is separate. There's a separate, typically inch and a half irrigation meter that serves that building or sometimes multiple buildings. The HOA pays for that water, which ultimately is funded through the HOA fees associated with that community. Regarding the prorating that you mentioned, in Crescent Ridge 1 and Friendship Park, the HOA does not pay for the outdoor irrigation. In those particular areas, there's the same indoor meter at every home. Then there's an irrigation meter that's an inch and a half in size, typically, that can serve one or two buildings. If that meter, as an example, provides irrigation to five units on that building, then the usage is divided by 20% for each unit, if that makes sense. So, it's prorated per each unit and that's only in Crescent Ridge 1 and Friendship Park. In those areas, you'll see a line item on the bill for irrigation. Now, all of other areas that are single-family homes, have their own irrigation system, a single meter for indoor and outdoor water use. As was discussed earlier, snowbirds were brought up earlier. What we have found, is it's not cost beneficial for residents to pay the cost to install another water meter and tap off of the existing water main. But if a resident wants to install a separate irrigation meter because they're hardly here, we can provide a quotation so they don't have to pay volumetric charges up to a cap of 5,000. A lot of residents don't realize that we don't charge residents for more than 5,000 gallons of sewage. If you want that, we can provide a quote to you, but you will have to pay for us to tap the water main, run a service and set another water meter. However, there's another base fee that's associated with that second water meter. Your base fees cover infrastructure and maintenance costs. There will be more infrastructure at your home and you have to pay for that additional cost. That's why we have found it to be cost-prohibitive. If a resident absolutely wants it, it is a service that we will provide, but we have not found it to have a really good return on investment.

Mr. Kenneth Colen: I'll add to that. In addition to the actual tapping charge and work, there also is an AFPI charge of \$2,434 that has to be paid in addition to that. So, generally, we've never had anybody do it because it's not cost-efficient.

Mr. Schmalz: Yes. I know there was discussion earlier about old homes and new homes. Every developer pays for their own infrastructure installation. Earlier in the Board meeting, we heard about the acceptance of utilities that were installed and turned over to the District. We didn't pay for the infrastructure. So, your costs aren't going up because of the infrastructure we're putting in. That's all paid by the developer and turned over to the District for O&M. That's how its set up. Each resident has to pay an AFPI charge for water and sewer to cover the cost for the associated treatment facilities with the project. That way, everybody pays their fair share when they move into the community and build their home.

Mr. Kenneth Colen: Thank you.

Mr. Schmalz: Thank you.

Mr. Kenneth Colen: Alright. Is there anyone else who wishes to address the Board? Please stated your name and address for the record.

Resident (Robert Fitzpatrick, 8338 SW 84th Place Road): I have a question and a request. Could someone explain to me why our water bills are double what I have been paying at other places in the country, including Los Angeles? I'd really appreciate that. I also understand that water bills here are significantly higher than the outlying areas of Ocala and in The Villages. Secondly, I request that the usage tiers be adjusted to reflect the reality of how this water is actually being used. It really doesn't make any sense at all to have an arbitrary amount just because somebody thought it would be a good idea, in order to make that usage to your par. I can't water my grass. Thank you.

Mr. Kenneth Colen: Thank you. Mr. Schmalz, would you care to address that?

Mr. Schmalz: Sure. Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. So as far as why the bills are double, it all depends. I don't know what water bills in Los Angeles and, Las Vegas are, but when we do our Rate Study, we do a comparison of our cost and what it takes to fund the utility. We also did a comparison in that Rate Study, which is available online on our website at blccdd.com. If you go to public records, you can look at our Rate Study. It's thrilling reading material if you've ever had the opportunity to read it, but it will show and demonstrate that we aren't the cheapest utility, but we're also not the most expensive, we are in the middle of the road. The reason why is because we want to properly fund the infrastructure and utility to provide continued ongoing high-level service. As an example, I want to say that the City of Ocala over the next four years will be raising their rates by 47% because they have not been

raising their rates every year, such as we do. Marion County has done slight adjustments. The City of Dunnellon has higher bills than us. They don't cap out their sewer charges. So, if you use 100,000 gallons of water, you pay for 100,000 gallons of sewage. The City of Belleview is the same way. They do not cap out their sewer charges either. When you look at Gainesville Regional Utilities (GRU), we are more cost-effective than they are and I believe the City of Groveland, if I'm recalling correctly. The 2018 Rate Study has a chart that shows our rates compared to other utilities, which we just recently did with our most recent bonding to see if our rates were comparable. That was with Wildan Financial as well. So, we're right in the middle. We're not too high, we're not too low. We're right where we want to be. We want to properly fund the utility so you have continued service at all times and don't have issues with sewer backing up into your home or no water. As far as the request of the users, tiers were adjusted and set in place based off of where we don't want residents to use water. Again, that's all driven by the WMD. So, we have to meet our permit requirements. We do not have a choice in regards to that. All we can do is try to drive an economic incentive with those tiers to help residents focus their conservation efforts.

Mr. Kenneth Colen: Okay. I believe we have one more speaker.

Resident (Pat Murphy, 8975 SW 97th Street): I live in a villa in Friendship Park and I'm glad you brought up about Friendship Park, because I pay my irrigation bill. I've been going back and forth between Bay Laurel Center and customer service because it's way too high. I've been told by customer service that its normal usage for irrigation and Friendship Park is 13,000 gallons a month. What you're saying is that's way too high for the whole bill. I only use 1,500 to 2,500 gallons of water for the entire house and 13,000 gallons for irrigation. I've tried to get them adjusted, but they won't adjust it. I go to customer service and they say it's a billing issue. I go to Bay Laurel Center and they say it's customer service issue. I sent a letter to the General Manager, but received no response at all. I'm at my wits end with this. Thank you.

Mr. Kenneth Colen: Alright. Hearing no others, I will close the public comments section of the meeting. Thank you. I want to make the point that the Bay Laurel Center CDD is a unit of special-purpose government. As such, it is not a profit-making entity, but it does have to cover its operating expenses. It is not a not-for loss foundation in a sense. It can't lose money. It has to cover its budget every year. Does the Board have any questions about the proposed rates? If not, I will entertain a motion to adopt Resolution 2022-13, which is:

“A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BAY LAUREL CENTER COMMUNITY DEVELOPMENT DISTRICT ADOPTING A PROPOSED RATE SCHEDULE FOR WATER AND WASTEWATER IN ACCORDANCE WITH CHAPTER 190 FLORIDA STATUTES; PROVIDING AN EFFECTIVE DATE.”

On MOTION by Mr. Brunner seconded by Mr. McLeod with all in favor Resolution 2022-13 Adopting the Proposed Rate Schedule for Fiscal Year 2022-2023 was approved.

Mr. Kenneth Colen: Before we move to Section 8, dealing with the Bay Laurel Center CDD Series 2011 bond refunding, let's take a short recess. Thank you.

The meeting was recessed at 11:07 a.m.

The meeting was reconvened at 11:20 a.m.

EIGHTH ORDER OF BUSINESS

Bay Laurel Center CDD Series 2011 Bond Refunding

A. Bond Counsel Engagement Letter with Greenberg Traurig – Bay Laurel Center CDD and Indigo East CDD

Mr. Kenneth Colen: Under Section 8, dealing with the Bay Laurel Center CDD Series 2011 bond refunding, the first item is a Bond Counsel Engagement Letter with Greenberg Traurig, the Bay Laurel Center CDD and the Indigo East CDD. Mr. Flint, would you like to lead in that discussion, please?

Mr. Flint: Yes, Mr. Chairman. The District recently issued new bonds for the construction of the North Water Reclamation Facility and some other improvements. In addition to that, we have the Series 2011 bonds, which are now able to be refinanced. The District entered into an Interlocal Agreement with the Indigo East CDD where Indigo East would serve as the issuer on behalf of the Bay Laurel Center CDD to refinance those bonds. As part of that, you need to retain Bond Counsel and you have an Engagement Letter with Greenberg Traurig, P.A. in your agenda. I believe that Mr. Bob Gang with Greenberg Traurig is on the phone. The Indigo East CDD Board approved the Engagement Letter at their meeting, earlier this morning and it requires the Bay Laurel Center CDD to approve it. Mr. Gang may want to say a few words.

Mr. Kenneth Colen: Mr. Gang, please state your name and affiliation.

Mr. Gang: Okay. I am Mr. Bob Gang, a senior shareholder at the law firm of Greenberg Traurig. We served as Bond Counsel for the taxable transaction previously for the acquisition of additional utility facilities earlier this year. This letter is for the refunding of the Series 2011 bonds, which were attempted to be done on a taxable basis, but because of rising interest rates, it was no longer feasible. Therefore, we approached the Indigo East CDD, which has a sufficient number of residents to qualify to issue tax exempt bonds, to enter into an Interlocal Agreement with the Bay Laurel Center CDD, to issue on its behalf. This proposed refunding transaction, therefore, can be done on a tax-exempt basis and would be totally secured within the Bay Laurel Center CDD utility system. So, it really is just substituting an issuer with a sufficient number of residents to issue, not only on behalf of the Bay Laurel Center CDD. Our Engagement Letter provides that our fee is entirely contingent on the successful sale of the refunding bonds, achieving the debt service savings that the District will adopt at its September 10th meeting. A resolution will be prepared and brought to the District at that time.

Mr. Flint: You mean September 6th.

Mr. Kenneth Colen: Thank you. Are there any questions from the Board? Hearing none, I would ask for a motion to approve the Bond Counsel Engagement Letter with Greenberg Traurig, the Bay Laurel Center CDD and the Indigo East CDD.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Bond Counsel Engagement Letter with Greenberg Traurig, the Bay Laurel Center CDD and the Indigo East CDD was approved.

Mr. Kenneth Colen: Thank you.

Mr. Gang: Thank you.

B. Underwriter Engagement and G-17 Disclosure Engagement Letter with Jeffries and FMSbonds - Indigo East CDD

Mr. Kenneth Colen: Next we have the Underwriter Engagement Letter, which is addressed to the Indigo East CDD. What action is required on behalf of the District?

Mr. Flint: I think that the Indigo East CDD Board approved the engagement of the team of Jeffries and FMSbonds to serve as Underwriter. They are only paid if the bonds are issued and their fee comes out of the proceeds of the bond issue, so no money would be required if the

bonds are not issued. Because the Indigo East CDD is issuing on behalf of the Bay Laurel Center CDD, I suggest that we have a motion by the Bay Laurel Center CDD Board approving the engagement of Jeffries and FMSbonds and acknowledgement of their disclosure.

On MOTION by Ms. Layman seconded by Mr. McLeod with all in favor the Underwriter Engagement and G-17 Disclosure Engagement Letter with Jeffries and FMSbonds with the Indigo East CDD was approved.

C. Discussion of Financing Timeline

Mr. Kenneth Colen: You have a proposed schedule, which starts today with the approval of the Engagement Letters. We will move forward. It happens pretty quickly. You can see the timeline here. Are there any questions? I don't believe this requires any Board action.

Mr. Flint: No, this is informational. I think the next major hurdle is we are projecting at your September 6th meeting, that you'll approve the Delegation Resolution and any other documents required that would allow the Underwriter to proceed with marketing and selling the bonds. We asked the Indigo East CDD to also schedule their meeting for September 6th to correspond with the Bay Laurel CDD meeting, so that both Boards can approve the Delegation Resolution.

Mr. Kenneth Colen: Very good. Thank you.

NINTH ORDER OF BUSINESS

Business Items

A. Consideration of Resolution 2022-14 Authorizing the Utility Director or Individual Designated by the Board of Supervisors to Act as the District's Purchasing Agent

Mr. Kenneth Colen: Resolution 2022-14 is:

“A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE BAY LAUREL CENTER COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE UTILITY DIRECTOR, OR ANOTHER INDIVIDUAL DESIGNATED BY THE BOARD OF SUPERVISORS, TO ACT AS THE DISTRICT'S PURCHASING AGENT FOR THE PURPOSE OF PROCURING, ACCEPTING, AND MAINTAINING ANY AND ALL CONSTRUCTION MATERIALS NECESSARY FOR THE CONSTRUCTION, INSTALLATION, MAINTENANCE OR COMPLETION OF THE DISTRICT'S NORTH WATER RECLAMATION FACILITY; PROVIDING FOR PROCEDURAL REQUIREMENTS FOR THE PURCHASE OF MATERIALS; APPROVING THE FORM OF A PURCHASE REQUISITION REQUEST; APPROVING THE FORM OF A PURCHASE

ORDER; APPROVING THE FORM OF A CERTIFICATE OF ENTITLEMENT; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.”

Mr. Flint: The purpose of this resolution, Mr. Chairman, is to set out procedures and authorization for the District to direct purchase materials related to the construction of the North Water Reclamation Facility. Because the CDD is a Government Entity, we are exempt from sales tax, so this resolution sets out the procedures and policies that authorize the Utility Director as the Purchasing Agent to work with the vendors to purchase those materials directly.

Mr. Kenneth Colen: These are significant savings. We need a motion to adopt Resolution 2022-14 as read.

On MOTION by Mr. Brunner seconded by Ms. Layman with all in favor Resolution 2022-14 Authorizing the Utility Director or Individual Designated by the Board of Supervisors to Act as the District’s Purchasing Agent was approved.

B. Consideration of Proposal for Services Relating to Sholom Park Non-Transient Non-Community Water System for Budget Year 2022-2023

Mr. Kenneth Colen: Sholom Park is not connected to water directly yet, although it will get there, as they are on a separate system. The District was asked to help maintain that system and conduct a required monitoring. They will do that on a fee basis. The proposal is in the amount of \$4,558.75 per year. That is before you and I would entertain a motion to accept that proposal as presented for services related to the Sholom Park Non-Transient Non-Community Water System (PWS ID 6424772) for the budget year October 1, 2022 through September 30, 2023.

On MOTION by Mr. Brunner seconded by Mr. Gysen with Ms. Layman, Mr. McLeod, Mr. Brunner and Mr. Gysen in favor and Mr. Kenneth Colen abstaining, the Proposal for Services Relating to Sholom Park Non-Transient Non-Community Water System for Budget Year 2022-2023 was approved. (Motion Passed 4-1)

Mr. Kenneth Colen: I abstained because I’m on the Board for Sholom Park.

TENTH ORDER OF BUSINESS

Ratification Items

A. SWWTF EQ Basin Construction Services Agreement with Marolf Environmental

Mr. Kenneth Colen: The first item for ratification is the Equalization (EQ) Basin Construction Services Agreement for the South Wastewater Treatment Facility (SWWTF) for Marolf Environmental to add a large EQ basin. It doesn't extend the capacity of the plant, but it evens out the flows so we don't have peaks in the flow because the SWWTF is nearing capacity. Mr. Schmalz, would you like to address this?

Mr. Schmalz: Yes. Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. At a previous Board Meeting, the Board approved in quotation format, the installation of electrical and mechanical equipment and required planning and site work to construct the South WWTF EQ basin in the amount of \$1,388,799.70. The agreement in your agenda package is the same scope as previously approved in contract format. As Mr. Kenneth Colen explained, the increased flow to the SWWTF limited hydraulic capacity at the existing site. The EQ basin will allow us to slowly flow the wastewater into the SWWTF throughout a 24-hour period. Unfortunately, our residents don't flush across 24 hours. They have peak loads. They typically flush around 7:00 a.m. to 8:00 a.m., it hits us by 10:00 a.m. to 11:00 a.m. and then around 7:00 p.m. to 8:00 p.m., we get our second surge through the plant. So, we are exceeding the capacity of specific equipment and piping networks in the existing site. This tank will receive the incoming influent, which is the raw wastewater coming into the facility and we can pace it into the SWWTF at a specific rate of flow to smooth out those peaks. This will allow constant treatment, which will allow sustained compliance with our FDEP permit until we decommission that facility. So, when the new North Water Reclamation Facility comes online in the first quarter of 2025 projected, it will then be taken down, brought offline and decommission the SWWTF located on SW 90th Street.

Mr. Kenneth Colen: Very good. Alright. We need a motion for ratification of that agreement.

On MOTION by Mr. Gysen seconded by Mr. Brunner with all in favor the South Wastewater Treatment Facility Equalization Basin Construction Services Agreement with Marolf Environmental was ratified.

B. Customer Service Agreement with UniFirst for Employee Uniforms

Mr. Kenneth Colen: The next agreement is a Customer Service Agreement with UniFirst for employee uniforms. Mr. Schmalz, I know that we went through this.

Mr. Schmalz: Yes. Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. The existing UniFirst Agreement is coming up for renewal. That was a three-year agreement. In your agenda package, there is a revised contract for a term of 36 months. We were able to negotiate no price increase from the current contracted rate for the next three years. We are happy with that considering the cost of inflation.

Ms. Layman: Bravo.

Mr. Schmalz: So that is what the Board has before them today.

Mr. Kenneth Colen: Very good. We need a motion for ratification of that agreement.

On MOTION by Mr. Brunner seconded by Ms. Layman with all in favor the Customer Service Agreement with UniFirst for Employee Uniforms was ratified.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Kenneth Colen: Do we have any comments or a report from the attorney?

Ms. Wagoner: I have none.

Mr. Kenneth Colen: Okay. Thank you.

B. Utility Status Report

Mr. Kenneth Colen: Mr. Schmalz?

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. I just want to give some updates on flows as we do at every Board Meeting. Currently, the District produces an annual average daily flow of 3,673,548 million gallons per day every single day, which is 1.41 billion gallons of water annually over the past 12 months from August of 2021 to July of 2022. That's a 5.2% increase from the same time period last year. We are growing at a higher rate as far as population. Though we are increasing at 5.2%, I believe that we are closer to 8% to 9% in population growth at this time, if not higher. That shows the conservation efforts we have at this time are impacting that. As far as wastewater flows, we are treating 747,000 gallons per day on an annualized basis with 273 million gallons of wastewater treated over the past 12 months. 66%

of that wastewater was utilized in the public access reuse system serving the Candler Golf Course, Tortoise & Hare, and Links Golf Course as well as common areas throughout the community. That offsets groundwater withdrawals by 181 million gallons annually, which is a big benefit to our environment. I did want to give an update on the North Water Reclamation Facility. At this time, the main site has been cleared and the access road with the limerock and asphalt has begun. Of course, there's a shortage in asphalt currently. We installed over 1,000 feet of 20-inch pipe for the reclaimed water main and the 24-inch PVC force main has currently begun installation on the SW 80th Street extension. The mass earthwork contractor is mobilizing this week with earthwork beginning on August 22nd, followed by a pressure ground injection scheduled for the first week of December. We did finish our FDEP permitting for the operation of the facility. We were able to actually get our staffing reduced automatically based off of the automation of the facility. Due to the size of this facility, the standard permitting requires a licensed operator with FDEP to be onsite 16 hours a day seven days a week. We were able to reduce that staffing down to six hours per day seven days per week, which helps to reduce our long-term labor costs associated with the operation of that facility. So, we are very happy about that. That's all I currently have.

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

C. District Manager's Report

1. Approval of Check Register

Mr. Kenneth Colen: Mr. Flint?

Mr. Flint: Yes, Mr. Chairman. You have the Check Register from May 1st through July 31st totaling \$3,241,127.02. The detailed register is behind the summary. If the Board has any questions on any of the checks, we can discuss those. Otherwise, I would ask for a motion to approve the Check Register.

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

On MOTION by Mr. Brunner seconded by Mr. McLeod with all in favor the Check Register for May 1, 2022 through July 31, 2022 in the amount of \$3,241,127.02 was approved.
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2. Balance Sheet and Income Statement

Mr. Kenneth Colen: We have the unaudited financials through June 30th. We had an opportunity to review it. It does not require any Board action.

3. Approval of Fiscal Year 2023 Meeting Schedule

Mr. Kenneth Colen: We need a motion accepting the meeting schedule.

Mr. Flint: I think the Board modified their meeting notice to meet twice a month. The one in your agenda package goes back to the old schedule of meeting four times a year. So, I would suggest that you consider amending the notice to meet twice a month. You can always change it.

Mr. Kenneth Colen: We need a motion amending the notice of meeting date to meet twice per month and have it properly noticed.

On MOTION by Mr. McLeod seconded by Mr. Brunner with all in favor the Fiscal Year 2023 meeting schedule as amended to meet twice per month was approved.

TWELFTH ORDER OF BUSINESS

Other Business

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

Mr. Flint: I don't have any.

Mr. Kenneth Colen: I have nothing.

THIRTEENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Kenneth Colen: Do we have any requests from the Supervisors? Hearing none,

FOURTEENTH ORDER OF BUSINESS

Next Meeting Date – September 6, 2022

Mr. Kenneth Colen: The next meeting is September 6, 2022.

FIFTEENTH ORDER OF BUSINESS

Adjournment

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



Secretary / Assistant Secretary



Chairman / Vice Chairman