

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 19, 2025 at 10:00 a.m. at Circle Square Cultural Center, 8395 SW 80th Street, Ocala, Florida.

Present and constituting a quorum were:

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

Also present were:

George Flint	District Manager
Rachel Wagoner	District Counsel
Bryan Schmalz	BLCCDD
Crystal House	BLCCDD
Patty Soriano	OTOW
Robert Szozda	GMS
Residents	

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: Next is the public comment period, are there any members of the public want to provide comment to the Board?

Mr. Glen Cauvin (8457 Southwest 98 Terrace Road): Do you want me to repeat what I said earlier? We have it on table.

Mr. Flint: I have it from the other meeting, but I think your concern is that you had excessive water usage. Our office, as a courtesy, let you know that you had a water leak and you had a concern because we wouldn't come on your property.

Mr. Cauvin: Generally, the age of this community is not 40 or 30. We're all up in the years. I've been told that I should crawl all over my yard and check all of the water leaks, which makes no sense. I'm sure that you don't advertise and say, *"Well, when you have a water leak, make sure you're old enough."* Okay, So I called up and said, *"Do you have someone to support you?"* I'm even willing to pay a service charge, but we don't have staff to do that. Well, I look at all of this and there's a lot of staff doing something. I will say on the positive side, I love the water system. I took the tour. I think generally speaking you guys as the representative of this community have done a great job. It's a great system. We don't have any water problems. It's not cheap. I'm not saying water is cheap, but to take that effort to do what you did out there and then just turn around and tell the old guy that's paying the bill, *"Oh, you just could figure it out yourself. You can call a plumber, do this, do that."* That doesn't make any sense. If it means we're going to have to up the ante, I guess I would support it. Get a service team out there. I'm 83 years old. I can't climb in the mud and dirt and dig down to figure it out. That doesn't make any sense. It just doesn't make sense. That is just an observation. I'm not going to change the world. I don't know if I'll change your opinion or not but give it some consideration. Think about the people you're serving here. The water is a good water supply. I have nothing to complain about, but to tell someone to go and find it themselves, is not acceptable. If I told someone something like that, I'd be fired. But I don't know if you can fire anybody around here. Anyway, that's all I have to say. I only noticed the increases are balancing out. Apparently, your expenses and your income seem to be matching up, which is a good sign. Are we going to see any more water hikes? I guess that's what you're going to talk about. Thank you.

Mr. Brunner: Thank you.

Mr. Colen: If any other people wish to speak, please step forward, state your name and address for the record.

Mr. Don Feldman (8875 Southwest 85th Loop): I just had a question about weed control. As you know, weeds are ubiquitous. I fight those things continually. We got a notice, because our bushes were higher than 4 feet. We trimmed them and did all of that and they had a lady come to follow up. It almost seems like a Gestapo thing, because she kind of invaded the property, marched around looking everywhere. Where do you draw the line on how many weeds you're allowed to have here? Because she said we had six weeds in our driveway and I sprayed

Roundup on them last week and they came back in a week. So, am I supposed to go out there every day and march around the property and look for weeds?

Mr. Flint: This is the Bay Laurel Center Community Development District. They operate the water and sewer system. It sounds like your concern is with the HOA or the Master Association. They perform codes, covenants and restrictions and architectural review. This is not the entity that is responsible for that. If you had a question on water and sewer, that would be this entity.

Mr. Feldman: We received a notice about excess water or some leakage. How much excessive leakage are we talking about? Like one month we had a 2,000-gallon leakage and I think it was somebody taking water to fill their pool from our faucet. So, we fixed that. We put a lock on our outlet, but how much leakage is leakage? Because the filter guy came out and we were talking to him about that and he showed us this water meter. You can look at that and trust the thing and you can monitor instantaneous usage to see and ours is okay now, but how much leakage is leakage?

Mr. Flint: Mr. Chairman, do you want to refer that to Crystal or Bryan?

Mr. Colen: Yes.

Mr. Flint: Those letters are not intended to be, in most cases, punitive. They're intended to be informative, to help you save water, but it also is a courtesy to you, so that you're not going to get a high-water bill. I don't know what the threshold is on sending those letters, but if we see something out of the ordinary with your typical usage, we look for no reads, low reads and high reads. No reads might indicate your meter is broken or there's some issue. Low read may indicate a problem with the meter as well. High read may indicate a leak. The meters that you have on your homes, we actually have the ability to look in real-time, to see what your usage is. So, if your irrigation controller is running at 2:00 a.m., five days a week, we're going to see it spike at 2:00 a.m. They can run a report to help you identify it. But Bryan, go ahead.

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center CDD. Regarding the question of how much leakage is leakage, to explain the way that letter is actually sent, we send approximately 300 letters every two weeks to residents, notifying them of water leaks in their home. How the water meter works, it analyzes every 15-minute period in a 24-hour day. When you look across that period and 96 of those 15-minute intervals have water use, it flags your account as having a potential water leak. So, you'll see on your water bill, it'll say

continuous leak. Then we will also send you a letter giving you a range of areas where you can check in your home, such as water softeners, leaking toilet flappers, drips on faucets, because the water meter will pick up as small of a leak as a drip. Where it can become frustrating with some customers, is when it's the service line, it's buried underground where the leak is. That's where it does become difficult. Regarding the other question, why we do not take care of anything beyond the meter, is because that is not the District's property. We are not responsible for maintaining that. We do understand, but we just don't have the labor force in order to spend time inspecting inside people's properties, including their homes. Because, again, it could be a leak on the toilet, it could be a leaking faucet, shower head, something as simple as that. We see residents that will leave their water hose in the backyard on and its dripping. That's how finite the meter accuracy is. So, that's when you'll get those leak letters. We are also required, per our Water Conservation Plan with the Southwest Florida Water Management District (SWFWMD), to provide the leak notification to you. Again, it's an effort to notify you and conserve water within our communities. That's part of the reason why we read meters twice a month. This way we can notify you of early detection of potential water leaks.

Mr. Flint: It's not a resource issue, as far as going past the meter. It's a responsibility issue. The District owns up to the meter. Everything on the other side of the meter, the service line to the house and all of the plumbing in the house, the irrigation system, are all privately owned. It's not that we don't want to help. We're helping by letting you know there's a leak, but I don't know of a utility out there, that goes and checks someone's irrigation system, to see if they have a broken head. It's not the utility's responsibility and I don't think you would want to pay for that, even if we did do that. But there's a legal issue there as well.

Mr. Schmalz: Typically, there are different companies out there, that charge for leak detection services. Typically, the average cost of that is approximately \$300, because that's the amount of time it takes to go into the home. As Mr. Flint said, there's also the responsibility if something is damaged. Years ago, an employee that was trying to help a resident shut their water softener off broke the valve and the District had to replace that valve on that water softener. So, if something is damaged in that process, there is a cost to the District as well. Did I answer everybody's question?

Mr. Colen: Do you still provide watercolor tablets that go in the toilet?

Mr. Schmalz: Yes, sir. We provide free of charge. All year long, our Customer Service Department provides leak detection tablets. You can pick them up. In every little pouch, there are two leak detection tablets, because typically, there are two toilets per home. We also provide rain gauges as well, free of charge to our community, so that way they know if it has rained, to help cut back on irrigation.

Mr. Colen: Alright, very good.

Mr. Schmalz: Thank you.

Mr. Glen Cauvin (8457 Southwest 98 Terrace Road): That's not what he told me.

Mr. Colen: You can come back and ask one more question. This is for public comment. We really shouldn't be having a dialogue. As a courtesy, we are.

Mr. Cauvin: No doubt what he said, that makes sense. I agree. I was outside of my house. I have a big yard. That is unacceptable. So, you're telling me at my age, I'm going to be out there digging. First of all, my thing's buried down in the ground. I got to get to it. I appreciate the notice. I'll follow through, but to have no services, that's not a true statement. There are plenty of institutions and places in the United States that provide services with your water system. Mostly outside, you're right. I agree with that point. But giving us a notice and then leave it up to you. I'm not going to change anybody's mind here. You guys have all of the facts. I can give you an example 100 times about one little incident. The point is that you provide a service. I'm not complaining about the water. The service is great. The notice is good, no question. But if I have to get it beyond my house inside out, if I'm not that smart enough to check my toilets and check and see if its leaking, then send me away.

Mr. Colen: What neighborhood do you live in?

Mr. Cauvin: Candler. It wasn't a big issue, but I had to find the water softener. Anyway, I'll end it.

Mr. Colen: Thank you.

Mr. Cauvin: I appreciate it.

Mr. Colen: Alright, does anyone else wish to address the Board? If not, we'll close the public comment period.

THIRD ORDER OF BUSINESS

Notice of Meeting

Mr. Colen: We have the notice of the meeting.

FOURTH ORDER OF BUSINESS

Approval of Minutes

A. May 20, 2025

Mr. Colen: Approval of the minutes of the May 20, 2025 meeting. Are there any corrections to the minutes? Are there any comments to the minutes? If not, may I have a motion approving the minutes of the May 20, 2025 meeting.

On MOTION by Mr. Stepp seconded by Mr. Brunner with all in favor the Minutes of the May 20, 2025 Meeting were approved as presented.

B. June 17, 2025

Mr. Colen: Next are minutes of the June 17, 2025 meeting. Are there any comments or corrections to the minutes?

Mr. Brunner: No.

Mr. Colen: I had none. May I have a motion recommending approval of the minutes as presented?

On MOTION by Mr. Brunner seconded by Mr. Stepp with all in favor the Minutes of the June 17, 2025 Meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Compliance Items

A. Presentation of Consulting Engineer's Annual Report

B. Consideration of Resolution 2025-05 Determining the Review of the Financial Condition of the Utilities System

Mr. Colen: Next are compliance items. This is from Kimley Horn. Mr. Flint, would you like to take us through this?

Mr. Flint: Yes or Mr. Schmalz, if you want to. Your bond Trust Indenture requires that your system be inspected annually by the District's Consulting Engineer. They inspect the District's facilities to make sure we're maintaining and operating them appropriately. They review our budget and our insurance policies. So that's what this report is intended to do. Bryan, I don't know if you want to summarize the conclusions.

Mr. Schmalz: Yes. Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. I'll read the summary section, which primarily covers the whole point of the 210 pages. Per Kimley Horn, "After completing a thorough assessment of the District's utility system, it is the opinion of Kimley Horn, that the system is being properly operated, is well maintained and is in good

overall condition. The detailed inspection of all above ground assets, demonstrated that the District's water, wastewater and reclaimed water systems, are more than suited to serve the current customers and support future developments. It is evident that the operations staff employed by the District, is diligent in performing the necessary repairs and maintenance to keep the system in excellent working condition. Employees are provided with necessary tools and equipment to complete the required maintenance. The District also actively makes improvements to operations and efficiency, highlighted by the continued efforts to improve the equipment throughout the system. Additionally, there have been no identification of non-compliance issues and the District has maintained a strong relationship with the Florida Department of Environmental Protection (FDEP) and with SWFWMD. It can be reasonably concluded that the District exceeds all requirements as set forth by the 2011 bond issuance and the Series 2020A and 2022B supplemental trust indentures. The District continues to take efforts to provide high quality water, reliable wastewater, and reclaimed water services and ensures that the system is maintained through a Capital Improvement Plan (CIP). The CIP has been successful in identifying areas of need and funding necessary improvements in system expansions. The District has continued to maintain the renewal and replacement funds, as recommended by the consulting engineers. The District also maintains a proper level of insurance indicating that all requirements included within this report are met."

Mr. Colen: Thank you.

Mr. Brunner: Thank you. Kudos to you for supervising all of that and making it happen.

Mr. Schmalz: I'll pass that on to my team. Thank you.

Mr. Colen: Is there any discussion on this? Are there any questions from the Board on this report? If not, then we need a motion to accept the report as presented.

On MOTION by Mr. Stepp seconded by Mr. Brunner with all in favor approval of the Consulting Engineering's Annual Report and the adoption of Resolution 2025-05 Determining the Review of the Financial Condition of the Utilities System was approved.
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Mr. Flint: Thank you, Mr. Chairman. Was that a motion to approve the resolution?

Mr. Colen: Yes.

SIXTH ORDER OF BUSINESS

Public Hearings

A. Consideration of Resolution 2025-06 Adopting the Fiscal Year 2026 Budget and Relating to the Annual Appropriations

Mr. Colen: Alright. Resolution 2025-06 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, 2025, AND ENDING SEPTEMBER 30, 2026; AND PROVIDING AN EFFECTIVE DATE.”

Mr. Flint: Mr. Chairman, this is a public hearing.

Mr. Colen: That’s right, so it's open for public comment. The floor is open for public comment on the budget.

Mr. Glen Cauvin (8457 Southwest 98 Terrace Road): Just a general question on the presentation. What were the prior year levels? You're giving me the new levels, but what was the prior year’s levels? Is that somewhere I missed? I don't have your books.

Mr. Colen: Well, we adopted the 2025 budget. Then there are the actuals and projected six months total.

Mr. Flint: We're on the budget right now, not the rate schedule. That's the next resolution.

Mr. Cauvin: Okay. I'll come back.

Mr. Colen: All right.

Mr. Colen: Are there any other public comments? If not, I will close the public comment period and bring it back to the Board for discussion on the budget. Alright. What's your pleasure? Are there any questions? Hearing none, Mr. Schmalz?

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. At the previous May meeting, we went through this budget very thoroughly, line by line. I just want to point out the only item that has changed from the previous meeting, was the IT line item, which was increased by \$5,000 for website maintenance.

Mr. Colen: Did you change companies?

Mr. Schmalz: No. It was just for website specific maintenance.

Mr. Brunner: Bryan, I know there's one line item that's going to change once the move comes up. What's the projected move date for the office? Is this still the end of the month?

Mr. Schmalz: It has been pushed back slightly, as we are waiting for FDEP wastewater and water clearances to turn on the water main to the building.

Mr. Brunner: Thank you.

Mr. Schmalz: We couldn't plan that any other way.

Mr. Colen: Alright. So again, I bring it back to Resolution 2025-06. Do I have a motion adopting Resolution 2025-06?

On MOTION by Mr. Stepp seconded by Mr. Gysen with all in favor Resolution 2025-06 Adopting the Fiscal Year 2026 Budget and Relating to the Annual Appropriations was approved.

B. Consideration of Resolution 2025-07 Adopting the Fiscal Year 2026 Rate Schedule

Mr. Colen: The next item is consideration of Resolution 2024-07, 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."

Mr. Flint: Yes, Mr. Chairman. This is a separate rule and rate hearing from the budget adoption. We advertise this in accordance with the Statutes. Maybe Bryan or Crystal can just summarize the proposed rates. I think primarily there were inflationary adjustments that were made, if you just want to summarize that for the Board.

Mrs. House: Mrs. Crystal House, Office Manager for Bay Laurel Center. Good morning. In 2023, the District conducted a rate study, in partnership with Willdan Financial, to evaluate the next five years recommended rate adjustments, taking into account, both the existing operating costs and the upcoming capital improvements. Based on their findings, Willdan recommended implementing a tiered rate schedule, to encourage the water conservation, by making excessive water use more expensive, promoting the efficiency and raising the customer awareness. The Board of Supervisors already adopted these rates and Willdan's recommendation. This included a 3% increase in potable water, a 4% increase in wastewater and a 0% increase on reclaimed. A common question that we do receive, is what will the rate increase look like for a typical customer? If you take a 5,000-gallon water bill, it will go from \$98.60 to \$102.22, which is an increase of \$3.62. A 15,000-gallon water bill would go from \$125.78 to \$130.20, which is an increase of \$4.42. As water usage reaches the conservation tiers,

levels that exceed the per capita thresholds are therefore not desirable for the District. We implement this higher rate structure. This tiered pricing approach, is intended to serve as an economic incentive, encouraging residents to reduce their water consumption. When a customer utilizes 30,000 gallons of water within a month, which is three times the Water Management District permit to withdraw from a single-family home, the customer's bill will go from \$232.28 to \$239.85. This is a \$7.57 increase. Customers who utilize 50,000 gallons of water, will go from \$473.88 to \$488.65. This is an increase of \$14.77. We have a number of homes that consume more water than necessary. One question that we get from our Board of Supervisors, is how many residents actually fall in these higher usage categories. To show how many gallons of water that are currently being used by our residential customers, excluding any developer inventory accounts, we are invoicing, as of right now, 10,122 residential customers for water usage during the period of July 9, 2025 to August 11, 2025. Of those customers, 5,237 customers exceeded the actual allowable amount of 9,165 gallons. 1,392 customers utilized between 15,000 and 20,000 gallons. 730 customers utilized between 20,000 and 25,000 gallons. 356 customers utilized between 25,000 and 30,000 gallons. 263 customers used between 30,000 and 50,000 gallons. 31 customers utilized between 50,000 and 100,000 gallons. 4 customers utilized above 100,000 gallons. To enhance our ability to proactively identify such issues and improve customer communication, the District has implemented the following measures when dealing with higher usage. The District maintains a monthly billing cycle. However, we still read these meters twice a month. The increased frequency allows us to monitor the usage and closely proactively notify customers. Customers whose meters have been flagged for continuous leaks at the time of reading, are notified by letter. I do want to correct a statement that was said earlier. Currently we are averaging around 450 customers every two weeks with continuous leaks. Each time meters are read, staff evaluate the top 25 customers with residential usage. We process a management issued data logger, looking for visible patterns in usage. Customers are then sent a letter advising them that their meter was flagged as a top 25 user in our system. The District physically makes courtesy calls to any customer that registers a monthly usage above 50,000 gallons, on a single-family home and we call any person that is in a villa, that is utilizing more than 25,000 gallons, to alert the customer that their meter has been flagged for higher usage. To support compliance and transparency, the District sends out quarterly postcards to any customers whose annual average exceeds the allowable threshold of 9,165 gallons. Lastly, the District also offers the tools

to customers to decrease their usage, by requesting one data logger report per year for free and if their usage is consistently high, they may also qualify for one of our many cooperative funding programs. These efforts are intended to support our customers by helping them avoid unexpectedly high bills, but also advancing the District's broader goal, of promoting responsible water use and conservation.

Mr. Brunner: Thank you.

Mr. Colen: I like how you anticipated our question. Very good. Alright. Is there any discussion?

Mr. Flint: You need to open the public comment period on the rate.

Mr. Colen: Alright, since this is a rate hearing, I'm going to open the floor for public comment. Is there anybody who wishes to address the Board regarding the proposed rate?

Mr. Glen Cauvin (8457 Southwest 98 Terrace Road): Can you answer my question?

Mr. Flint: The agenda is very straightforward, if you have a copy of it. I think she answered the question that you had asked about what the change was. Those are the proposed rates, but in the narrative of Crystal's report, she explained it.

Mr. Cauvin (8457 Southwest 98 Terrace Road): Okay, I'll make this very simple for you. There's nothing here to tell me what the rates were prior to the adjustments.

Mr. Flint: She gave you the percentage increases.

Mr. Cauvin (8457 Southwest 98 Terrace Road): Okay. Am I supposed to memorize everything you just said?

Mr. Flint: The reason she gave the presentation before public comment, was to anticipate questions that may arise.

Mr. Brunner: If you have your last month's water bill, it's right there.

Mr. Flint: We would be happy to provide you with a copy of the current rates that are in effect until October 1st.

Mr. Cauvin (8457 Southwest 98 Terrace Road): Okay. You made a presentation. You showed what it was going to be. It could have just been on this piece of paper showing what it was. That's all.

Mr. Colen: Thank you for your comment. Alright. Any other public comments? If not, I will close the public comment section and bring it back to the Board. What is your pleasure here? Do I have a motion to adopt Resolution 2025-07?

On MOTION by Mr. McLeod seconded by Mr. Brunner with all in favor Resolution 2025-07 Adopting the Fiscal Year 2026 Rate Schedule was approved.

SEVENTH ORDER OF BUSINESS

New Business Items

A. Consideration of Proposal with HAPI, Inc. for Services Relating to Sholom Park Water System for Fiscal Year 2026

Mr. Colen: Mr. Flint, do we have any new business items?

Mr. Flint: Yes, Mr. Chairman. On the next page you have two items. The first one is consideration of a proposal from HAPI, Inc., for services relating to the Sholom Park Water System for Fiscal Year 2026.

Mr. Colen: For a proposed annual fee of \$7,406.

Mr. Flint: Correct.

Mr. Colen: That includes daily visits through their potable water source, quarterly bacteriological, sampling and testing, annual nitrate nitrite sampling and testing and maintaining the sodium hypochlorite disinfection system. Is there any discussion from the Board?

Mr. Brunner MOVED to the approve the Proposal with HAPI, Inc. for Services Relating to Sholom Park Water System for Fiscal Year 2026 in the amount of \$7,406 and Mr. Stepp seconded the motion.

Mr. Colen: I'm conflicted on this one, because I serve on the Sholom Park Board.

Mr. Flint: Right. So, we'll get you the Form 8B that you can fill out and make sure the record reflects that you recused yourself on this vote.

Mr. Colen: Alright.

On VOICE VOTE with Mr. Gysen, Mr. McLeod, Mr. Brunner and Mr. Stepp in favor and Mr. Colen abstaining, the Proposal with HAPI, Inc. for Services Relating to Sholom Park Water System for Fiscal Year 2026 in the amount of \$7,406 was approved. (Motion Passed 4-1)

B. Consideration of Ongoing IT Support Plan Proposal with Verteks Consulting, Inc.

Mr. Colen: The next item is the ongoing IT support plan proposal with Verteks. Who can speak to that?

Mrs. House: Mrs. Crystal House, Office Manager. The agreement that is in your agenda today, is to provide the IT services to the District, by supporting us by providing monthly performance and preventative maintenance reports, hardware and software audits, full cyber security and data backup monitoring and antivirus management. This agreement is a renewal of our existing agreement for one additional year.

Mr. Colen: Very good. The proposed monthly charge is \$3,470 per month.

Mrs. House: Yes, sir.

Mr. Colen: Are there any questions from the Board?

On MOTION by Mr. Stepp seconded by Mr. Brunner with all in favor the Ongoing IT Support Plan Proposal with Verteks Consulting, Inc. in the amount of \$3,470 was approved.

FIFTH ORDER OF BUSINESS

Ratification Items

A. Series 2022B Requisitions #86 - #89

Mr. Colen: The next item are ratification items. What I would like to do, subject to the District Manager, is to go through each of the items and have a single motion on Requisitions #86 through #89.

Mr. Flint: Yes.

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. Requisition #86 is with Hayward, Florida, owner direct purchase for final billing, related to the odor control system at the North Water Reclamation Facility, in the amount of \$23,071.61. That will finalize that purchase. Requisition #87 is FKC, owner direct purchase for final billing, related to the dewatering screw press at the North Water Reclamation Facility, in the amount of \$87,120. Requisition #88 is Wharton Smith Pay Application #1, related to pre-construction services of the utility operations facility, in the amount of \$6,982.44. Requisition #89 is Wharton Smith Pay Application #39, in the amount of \$2,121,055.48. The District has a remaining balance of \$6,707,404.28 with Wharton Smith and any related owner direct purchase items that are outstanding. The District is in the process of doing its final reimbursement request to FDEP, in the amount of \$14,670,619.31, which will be the \$60 million grant that was awarded to the District for constructing that facility.

Mr. Colen: Thank you.

Mr. Schmalz: You're welcome.

Mr. Colen: Okay. Do I have a motion approving these requisitions?

On MOTION by Mr. Gysen seconded by Mr. Stepp with all in favor Requisitions #86 - #89 for Series 2022B were ratified.

B. Series 2022B Governmental Grant Account Requisition #2

Mr. Colen: Item 7B is the ratification of the Series 2022 Government Grant Account Requisition #2. This is for US Bank and Trust National Bank Association of Trustees. The application amount is \$19,691,536.

Mr. Flint: Yes, Mr. Chairman. This is just moving the funds that were in the grant trust account to the acquisition and construction account.

Mr. Colen: Alright. Do we have a motion accepting Requisition #2.

On MOTION by Mr. Brunner seconded by Mr. Stepp with all in favor the Series 2022B Governmental Grant Account Requisition #2 was ratified.

NINTH ORDER OF BUSINESS

District Goals and Objectives

A. Adoption of Fiscal Year 2026 Goals and Objectives

Mr. Flint: Mr. Chairman, if you would like, I'll handle Section 9 on goals and objectives.

Mr. Colen: Please do.

Mr. Flint: Each year, if you remember, the legislature passed a law requiring Special Districts to adopt annual goals and objectives. 2025 was the first year that requirement went into effect. This first item is for Fiscal Year 2026, which starts on October 1st. We've prepared recommended goals and objectives for your consideration, broken into three areas: Community communication and engagement, infrastructure and facilities maintenance and financial transparency and accountability. Under each one of those main areas, we've provided goals, objectives, measures and standards. These are consistent with what you approved for the current year. If you want to make changes, we can do that or if you're comfortable using the same goals and objectives as the current fiscal year, you could approve this form.

Mr. Colen: I believe there was a Bill filed last year, in the Legislative Session, to repeal these performance reporting.

Mr. Flint: Yeah. It didn't make.

Mr. Colen: Alright. So, my recollection wasn't bad.

Mr. Flint: There was one, but it didn't end up getting passed.

Mr. Brunner: The way this is written up, it meets all of the State's requirements?

Mr. Flint: Yeah, the goals and objectives that we put in these are statutory requirements, primarily that we have to meet anyway, so there shouldn't be any problem meeting these.

Mr. Colen: Alright. Is the pleasure to continue to adopt the annual reporting and performance measures? Do we need a motion?

Mr. Flint: Yes, please.

Mr. Colen: Alright. May I have a motion?

On MOTION by Mr. Stepp seconded by Mr. Brunner with all in favor adopting performance measures and standards and annual reporting for October 1, 2025 through September 20, 2026 was approved.

B. Presentation of Fiscal Year 2025 Goals and Objectives and Authorizing Chair to Execute

Mr. Flint: The next item is the current year goals and objectives. These are the goals and objectives that you approved for Fiscal Year 2025. At the end of the fiscal year, we're required to do a report on whether we met these standards. As you can see, the way we've set them up, they're yes or nos. Once we get to the end of the fiscal year, we'll fill this report out. It's required to be signed by the Chair. So, what we're asking, is that the Board to delegate authority to the Chair to execute this report, in the event that we don't have another meeting and then we'll have it ratified at your next Board meeting.

Mr. Colen: Is there a motion to delegate signature authority for acceptance of performance measures and standards and annual reporting for the period on October 1, 2024, through September 30, 2025 and delegating said authority to the Chairman and in his absence, the Vice Chairman.

On MOTION by Mr. Brunner seconded by Mr. Stepp with all in favor authorizing the Chair or Vice Chair to execute the completed Fiscal Year 2025 Goals and Objectives was approved.

TENTH ORDER OF BUSINESS

**Acceptance of Audit Committee
Recommendation and Selection of Firm
to Provide Auditing Services for Fiscal
Year 2025**

Mr. Flint: Would you like me to handle this, Mr. Chairman?

Mr. Colen: You can.

Mr. Flint: Okay. The Board met as the Audit Committee, prior to this Board meeting, reviewed and ranked four responses that you see received for independent auditing services and ranked Grau & Associates number one. So, this item is seeking the Board to accept the Audit Committee's recommendations.

Mr. Colen: Do I hear a motion to that effect, accepting the Audit Committee recommendations?

On MOTION by Mr. McLeod seconded by Mr. Gysen with all in favor accepting the ranking of the Audit Committee to rank Grau & Associates as the number one ranked firm to provide auditing services, DiBartolomeo, McBee, Hartley & Barnes number two, Carr, Riggs & Ingram number three and Richie Tandoc, P.A. number four was approved.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Colen: Staff Reports. Do we have anything from District Counsel?

Ms. Wagoner: I have nothing.

B. Utility Status Report

Mr. Colen: Utility Status Report. Mr. Schmalz?

Mr. Schmalz: Mr. Bryan Schmalz, Utility Director for Bay Laurel Center. To give an update on where we are with water production, we're currently producing an annual average daily flow of right under 5.2 million gallons per day on an annual average daily basis over the past 12 months. We produced right under 1.9 billion gallons of water. So, we're creeping on the 2 billion mark. That's a 6.85% increase in flows from the same time period last year, with an 8.4 increase in service connection. Regarding wastewater flows, we are right at 936,000 gallons per day with 342 million gallons of wastewater treated over the past 12 months. With the renovation of the Candler Hills Golf Course, we are doing good on providing all of our water to public access reuse. I wanted to let the Board know, Wharton Smith applied for the Associated Builders and Contractors Excellence and Construction Award, which recognizes and celebrates outstanding projects and asked that Bay Laurel Center participate in the presentation of the North Water Reclamation Facility. Each one of these projects entry is evaluated by selected judges

represented by a cross section of the industry, including local design professionals who either visit and tour each project or determine the score based on a presentation and awards entry book. Bay Laurel Center and Wharton Smith traveled to Orlando and provided a presentation to the judges for this particular award. The project entries are judged on execution of design, quality of craftsmanship, attention to detail, proper installation, outstanding planning and coordination efforts and challenge successfully overcome the project complexity and custom materials safety program and owner satisfaction. We're excited to announce that we've won the Public Works Environment Division for facilities over \$100 million. So, the District will be traveling to Orlando to accept the award with Wharton Smith. It's called the Eagle Award. We'll display at our customer service office when we do move in there.

Mr. Brunner: Very nice. Congratulations.

Mr. Colen: Congratulations.

Mr. Schmalz: Thank you. Mr. Flint, would you like to go over the Kimley Horn Agreement under Other Business?

Mr. Flint: Yeah. We added a proposal from Kimley Horn to your agenda. I asked Bryan to hand out copies of that before the meeting.

Mr. Colen: Okay. Please proceed with that.

Mr. Schmalz: So, the District is seeking funding for a capital infrastructure project, involving the design and construction of Phase 1 of Water Treatment Plant #4. Currently, federal funds from US EPA, have been allocated to the State of Florida, which can be used to support the design and construction of this project. So, we are working with Kimley Horn, regarding this project. It's eligible under the guidelines of the alternative water supply program, as this particular groundwater source could possibly be the lower floridian aquifer. This program is being administered by DEP and the SWFWMD. The proposal from Kimley Horn, is to prepare and submit one full application, coordinate communication with relevant agencies, provide three RFI responses to the agencies and then coordinating with our engineer of record regarding the design and potential layout of that facility. That comes in at \$19,490.

Mr. Stepp: Mr. Chairman, if I may.

Mr. Colen: Yes.

Mr. Stepp: Who is the design professional for Water Treatment Plant #4?

Mr. Schmalz: Currently we have not awarded that to anybody. We're currently coordinating with Kimley Horn, as they've performed our Integrated Water Resource Master Plan, which discusses Water Treatment Plant #4 and the proposed demands that will be needed for future growth. We currently have the facility broken out into two projects: Phase 1, which will be a little over 7 million gallons per day and Phase 2, we'll be adding a third well, which will bring us a little over 10 million gallons per day.

Mr. Stepp: But regardless of the design award, they're going to assist in the grant.

Mr. Schmalz: The grant process, yes. Ultimately, the Board will have to do a Request for Qualifications and the Board will have to select the actual engineer of record for the project, once the design and construction begin.

Mr. Stepp: Thank you.

Mr. Colen: Very good. Are there any questions on this? If not, I need a motion to adopt the proposal of August 14, 2025, letter agreement for professional service for funding proposal preparation, alternative water supply program funded proposal by US EPA and FDEP.

On MOTION by Mr. Stepp seconded by Mr. Brunner with all in in favor the agreement with Kimley-Horn and Associates, Inc. for Funding Proposal Preparation was approved.

C. District Manager's Report

1. Approval of Check Registers

i. May - June

ii. June - August

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

Mr. Flint: Mr. Chairman, under the District Manager's Report, you have two Check Registers. The first is from May 13th through June 10th, Checks #19246 through #19358, in the amount of \$2,181,943.16. Then you have the Check Register from June 11th through August 11th, Checks #19359 through #19615, totaling \$3,966,783.27. Are there any questions on the Check Registers?

Mr. Colen: Hearing none. We need a motion accepting the Check Registers as presented.

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

2. Balance Sheet and Income Statement

Mr. Flint: We also provided you with the unaudited financial statements through June 30th. It includes the Combined Balance Sheet and Statements of Revenues and Expenditures for each of the District's funds. No action is required by the Board, but if you have any questions, we can discuss those.

Mr. Colen: Thank you.

3. Approval of Fiscal Year 2026 Meeting Schedule

Mr. Flint: Finally, each year you're required to approve an Annual Meeting Schedule. We've prepared one consistent with the one in the past, where you met on the third Tuesday of each month in this location at 10:00 a.m. in this location. The specific dates are listed there, if you want to keep the same date and time, you could approve this, or we can modify it.

Mr. Brunner: I would suggest we accept it as it is.

On MOTION by Mr. Brunner seconded by Mr. Stepp with all in favor the Fiscal Year 2026 meeting schedule was approved.

TWELFTH ORDER OF BUSINESS

Other Business

A. Consideration of Agreement with Kimley-Horn and Associates, Inc. for Funding Proposal Preparation - Added

This item was discussed.

THIRTEENTH ORDER OF BUSINESS

Supervisor's Requests

There being no comments, this item followed.

FOURTEENTH ORDER OF BUSINESS

Next Meeting Date – September 16, 2025

Mr. Colen: The next meeting date is September 16, 2025. Mark it on your calendars.

FIFTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the meeting was adjourned at 11:03 a.m.


Secretary / Assistant Secretary


Chairman / Vice Chairman