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, February 16, 2016 at 9:31 a.m. at the Circle Square Commons Cultural Center, 8395 SW 80th Street, Ocala, Florida.

Present and constituting a quorum:

Kenneth D. Colen	Chairman
Richard Belz	Vice Chairman
Paul Brunner	Supervisor
Jo Salyers	Supervisor
William D. McLeod, Jr.	Supervisor

Also present:

George Flint	District Manager
Gerald Colen	District Attorney
Bryan Schmalz	BLCCDD Utility Operations Manager
Crystal House	BLCCDD Office Manager
Philip Hisey	On Top of the World Communities

FIRST ORDER OF BUSINESS **Roll Call**

Mr. Colen called the meeting to order, and Mr. Flint called the roll.

SECOND ORDER OF BUSINESS **Public Comment**

Mr. Colen: Is there anyone who would like to discuss any matters before the Board?

Hearing none, public comment was closed.

THIRD ORDER OF BUSINESS **Notice of Meeting**

Mr. Colen: This meeting was duly advertised in the Ocala Star Banner.

FOURTH ORDER OF BUSINESS **Approval of the Minutes of November 17, 2015 Meeting**

Mr. Colen: The minutes of the November 17 meeting were included in your packet. If there are no comments or corrections, a motion to approve is in order.

On MOTION by Mr. Belz, seconded by Mr. McLeod, with all in favor, the Minutes of the November 17, 2015 Meeting was approved, as submitted.

FIFTH ORDER OF BUSINESS **Ratification Items:**

A. Jones Edmunds Associates (JEA)-Task Assignment #16

Mr. Schmalz: This is a master plan report to assist the District in a long term planning approach for the upgrade expansion of the wastewater treatment facilities. The wastewater master plan is to provide the District with a phased implementation outline of potential improvements to include biosolids management, nutrient removal, treatment capacity, and storage requirements. The study will evaluate current site limitations and estimated probable cost of construction for each treatment process improvement and operational maintenance factors. These costs along with the current useful life at the current site will be compared to relocating to the new site. This will take a master planning approach in regards to expanding the current treatment and provide guidance in determining the most economical options for the Board.

> On MOTION by Mr. Brunner, seconded by Mr. Belz, with all in favor, Jones Edmunds Associates Task Assignment #16 in the Amount of $89,500 was ratified.

B. Jones Edmunds Associates (JEA) - Task Assignment #17

Mr. Schmalz: This is for the purpose of meeting the requirements of the wastewater operating permit. This requires quarterly sampling of eight location sites. They have provided this service for many years. I would like to point out that the cost for the previous year did not increase. The cost is $22,980 and we had budgeted $29,550 which is a savings of $6,070.

> On MOTION by Mr. Belz, seconded by Mr. Brunner, with all in favor, Jones Edmunds Associates Task Assignment #17 in the Amount of $22,980 was ratified.

C. Professional Piping Services

Mr. Schmalz: This proposal is the cleaning of Lift Stations #8 and #9 force mains. The purpose is to remove deposits inside the force mains due to low velocity and material build up on the pipe walls. The overall cost is $17,664. We did budget $16,500 so this did increase from the original expense by $1,156.

Mr. Colen: What was the reason they gave for being over our estimate?

Mr. Schmalz: Basic economy. It will be worth it because the savings of electrical costs and maintenance of the equipment reduces the run time and reduced wear of the equipment.

On MOTION by Mr. Belz, seconded by Mr. Brunner, with all in favor, Professional Pipe Services Proposal in the Amount of $17,664 was ratified.

D. Xylem Water Solutions

Mr. Schmalz: The purpose of this quote is to continue with the lift station control upgrade program at Lift Stations #9, #11 and #12. We have been continuing this lift station improvement program for many years. After this we will have five lift stations remaining for the future CIP.

Mr. Colen: This is to change the controls on three lift stations.

Mr. Schmalz: Some of the features include motor protection, efficiency trending, and calling staff if there is a problem. At these sites currently there are audible alarms so we have to rely on the residents nearby to hear the alarm and call us. We are installing the telemetry connected to the lift stations so we can receive the calls prior to the residents call us that the alarm is going off.

On MOTION by Mr. Belz, seconded by Mr. Brunner, with all in favor, Xylem Quote in the Amount of $29,553 was ratified.

E. DEX Imaging Lease Agreement

Ms. House: The focus of the lease agreement is to set up and establish copier services with DEX imaging for the administrative office. It is a master copier which has the scanning and faxing capabilities. Previously our copying and scanning was done through Ricoh and the previous lease amount was $146.34 which did not include any allowance for the copies. That agreement was for 48 months which expired December 2015. The copier was returned and because they could not give a price close to DEX; the majority of the quotes I received exceeded $200 for 60 months. The equipment DEX provided was a Canon C2230 and we did incur a one-time set up fee of $75. The lease term is 63 months at $172.81 and that includes a monthly allowance of 4,000 black and white copies with the overages of .007¢ per copy and does not

include a monthly allowance for color copies. Overages for that is .05¢ per copy. It is a laser copier.

Mr. Flint: This pricing is very competitive. Crystal did a lot of work and it is very hard to have an apple to apple comparison on these, but she did a good job at setting up spread sheets to compare because some include copies and some don't, and they are at different rates. I have used DEX in other communities and they do a good job.

> On MOTION by Mr. Belz, seconded by Mr. Brunner, with all in favor, DEX Imaging Lease Agreement was ratified.

SIXTH ORDER OF BUSINESS **Consideration of Agreements/Proposals**

A. LLS Tax Solution Inc. Agreement for Series 2011 Arbitrage Calculation Report for 2016

Mr. Flint: Each year we have an arbitrage rebate calculation performed. We are required to do it every five years, but we typically do it annually. The cost ends up being the same if you take five times the annual fee. The cost is $700 and we would like the Board's consideration to approve that.

> On MOTION by Mr. Belz, seconded by Mr. McLeod, with all in favor, LLS Tax Solutions Inc. Agreement for Series 2011 Arbitrage Calculation Report for Bond Year ending October 13, 2016 was approved.

B. Ring Power Customer Service Agreement for Lift Station #24

Mr. Colen: We have a service agreement for Lift Station #24. Do we have any questions? Hearing none,

> On MOTION by Mr. Belz, seconded by Mr. Brunner, with all in favor, Ring Power Customer Service Agreement for Lift Station #24 was approved.

C. Bridgewater Park LLC Standard Potable Water, Wastewater and Reclaimed Water Agreement

Mr. Colen: Bridgewater Park LLC is the skilled nursing and assisted living facility being built on SW 80th Street just south of SW 90th Street. There is a lot of earthwork going on now.

Mr. Brunner: On the very last page, Exhibit C, off site systems, there is no exhibit C. Is something supposed to be there?

Mr. Schmalz: Yes. We are having Bridgewater Park LLC construct some off-site utilities which is re-routing force mains from the Publix lift station and existing Walgreens lift station to a new lift station located on the property of Bridgewater Park. It will be more efficient in the transfer of wastewater from the older community going through Friendship Village and Colony and going directly to the wastewater facility. It is estimated to be about $114,000 for the offsite work we will be crediting Bridgewater Park for.

Mr. Colen: When does that get filled in?

Mr. Schmalz: It is completed, it just did not get included with this document. It was part of the original executed document. It just didn't make it into this packet.

Mr. Brunner: Will this tie into the existing water treatment plant?

Mr. Schmalz: Both the water and wastewater treatment facilities. The wastewater is the 8" dry line force main to be utilized to transfer from this site and the commercial properties to the wastewater facility.

Mr. Flint: The water system is in existence now. You have 12" mains.

Mr. Schmalz: We have 12" 10" and 8" leading into this property.

On MOTION by Mr. Belz, seconded by Ms. Salyers, with all in favor, Standard Potable Water, Wastewater and Reclaimed Water Development Agreement with Bridgewater Park LLC was approved.

SEVENTH ORDER OF BUSINESS **Other Items**

A. Acceptance of LLS Tax Solution Inc. Series 2011 Arbitrage Calculations Report Ended October 13, 2015

Mr. Flint: You previously approved the agreement for them to do the calculations for this current year. This report is for last fiscal year. You can see on their coverage page we have a negative $240,665 accumulative rebate requirement so there is no arbitrage issue.

Mr. Belz: Is that negative number carried forward?

Mr. Flint: They recalculate it annually and take it into account.

On MOTION by Mr. Belz, seconded by Mr. Brunner, with all in favor, Series 2011 Arbitrage Rebate Calculations Report for Fiscal Year Ended October 13, 2015 was accepted.

B. Acceptance of Utilities Associated with Sandalwood

Mr. Colen: This is a Pulte development and the water and sewer improvements that we made. We have a bill of sale attached. This is our standard agreement.

On MOTION by Mr. Belz, seconded by Ms. Salyers, with all in favor, Utilities Associated with Sandalwood were accepted.

C. Southwest Florida Water Management District Cooperative Funding Initiative Update

Mr. Schmalz: The District has initiated a cooperative funding initiative with the SWFWMD. I attended a meeting this past month and everything is looking good. Our rankings are high for this project. The District staff has recommended us for this project. The next step is another meeting on April 6. District staff will present final evaluations and rankings of the proposals and we will answer any questions of the governing Board members. The final approval of funding will occur in September 2016. Everything at this time is looking very good for this project to move forward.

Mr. Brunner: They are doing their evaluation and issue awards in September.

Mr. Schmalz: We will present it in this upcoming 2017 budget year.

Mr. Brunner: We have a fixed dollar number assuming we get the grant that would be put into the budget to be matched by SWFWMD.

Mr. Belz: This stuff takes forever plus a day. By the time they actually vote to accept this, the deadline for filing again will have passed. Sometime later on I will be suggesting Mr. Schmalz to refine for another grant because that will take effect three years from now.

EIGHTH ORDER OF BUSINESS **Staff Reports**

A. Attorney

There being no report, the next item followed.

B. Engineer

There being no report, the next item followed.

C. District Manager

i. Approval of Check Register

Mr. Flint: The check register is from November through January 31, 2016 in the amount of $1,863,789.55, and the detail has been provided behind the summary in your packet. There are a number of transfers you will see to US Bank and those are the debt service assessment revenues being transferred to the trustee.

On MOTION by Mr. Belz, seconded by Mr. Brunner, with all in favor, the January 31, 2016 Check Register in the Amount of $1,863,789.55 was approved.

ii. Balance Sheet and Income Statement

Mr. Flint: The unaudited financial statements as of December 31, 2015. No action is required. If there are no comments or questions, we can proceed to the next item of business.

NINTH ORDER OF BUSINESS **Other Business**

There not being any, the next item followed.

TENTH ORDER OF BUSINESS **Supervisors Requests**

There not being any, the next item followed.

ELEVENTH ORDER OF BUSINESS **Adjournment**

There being no further business,

On MOTION by Mr. Belz, seconded by Mr. Brunner, with all in favor, the meeting was adjourned at 9:54 a.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman