

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 20, 2024 at 10:00 a.m. at Circle Square Commons, Cypress Hall, 8413 S.W. 80th Street, Ocala, Florida.

Present and constituting a quorum were:

Paul Brunner	Vice Chairman
William D. McLeod, Jr.	Assistant Secretary
John Gysen	Assistant Secretary
Robert "Boe" Stepp	Assistant Secretary

Also present were:

George Flint	District Manager
Gerald Colen	District Counsel
Rachel Wagoner	District Counsel
Bryan Schmalz	BLCCDD
Crystal House	BLCCDD

FIRST ORDER OF BUSINESS

Roll Call

Mr. Brunner called the meeting to order at 10:00 a.m. and Mr. Flint called the roll. A quorum was present.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Brunner: Is there any public comment? Hearing none, we'll close that.

THIRD ORDER OF BUSINESS

Notice of Meeting

Mr. Brunner: The notice of the meeting was published in the Ocala Star Banner on September 24, 2023.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the November 21, 2023 Meeting

Mr. Flint: We have approval of the minutes of November 21, 2023. Those are in your agenda. Were there any comments or corrections to those?

Mr. Brunner: Not from me.

Mr. Flint: If not, is there a motion to approve them?

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Minutes of the November 21, 2023 Meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Ratification Items

A. Agreement with Grau & Associates to Provide Auditing Services for Fiscal Year 2023

Mr. Flint: Item A is the Agreement with Grau & Associates, to provide auditing services for Fiscal Year 2023. Because there's a deadline to have that audit completed, we went ahead and executed the agreement. It is consistent with your budget and the pricing that they provided when they bid the services. So, we're asking for a motion to ratify the agreement with Grau & Associates for the audit.

On MOTION by Mr. Brunner seconded by Mr. Stepp with all in favor the approval of the Agreement with Grau & Associates for the Fiscal Year 2023 Audit in the amount of \$20,500 was ratified.

B. Agreements with Paycom to Provide Payroll Services

Mr. Flint: Next are the Agreements with Paycom to provide payroll services. Crystal, do you want to hit on those?

Mrs. House: Mrs. Crystal House, Office Manager. When it comes to the payroll processing, two of the most popular names in this space are Paycom and ADP. Both companies offer a suite of tools to help the businesses manage their payroll and their tax compliance. However, when comparing the previous ADP system, it became evident that the Paycom software offered a higher degree of customization and features that the District was looking for. Paycom is a more comprehensive system that will improve our efficiency, effectiveness of our daily operations and assist us in both streamlining and growing our business to its max potential, both in payroll and human resources.

Mr. Flint: So, we're asking the Board to ratify this change. It was executed by the Chair.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the approval of the Agreements with Paycom to Provide Payroll Services was ratified.

C. Agreement with FMPTF for Preparation of GASB 75 Disclosures

Mr. Flint: There is a disclosure requirement that the District has to meet and we retained the Florida Municipal Pension Trust Fund (FMPTF), which is run by the Florida League of Cities. They do the calculations for us as part of the audit process. We have to prepare this, in order to meet this requirement. Their fixed retainer fee is \$3,000 for the services and the scope is included because it is required by the audit. We did execute it and we're asking the Board to ratify that.

On MOTION by Mr. Brunner seconded by Mr. Stepp with all in favor the approval of the Agreement with FMPTF for Preparation of GASB 75 Disclosures in the amount of \$3,000 was ratified.

- D. Agreement with Kimley Horn for 2024 Update to Engineer's Report for Bond Financing**
- E. Proposal from Willdan Financial to Provide Financial Feasibility Study Update**

Mr. Flint: We will take Items D and E together and I'm sure that Bryan will give the good news. We received an additional grant, a significant grant, for the Wastewater Treatment Plant (WWTP) construction. The grant funds have to be used for the WWTP construction. What that does, is it frees up bond funds that could be used for other purposes. In order to do that, we're looking at having the Engineers Report that the bond issue is based on, amended. You will also see a proposal from Willdan Financial, where they'll update and provide a letter report on the Feasibility Study that they prepared as part of the bond issuance process, to show that the District is using the bond funds for other projects. There are a couple of other eligible projects that we're looking at doing. The Engineers Report would be updated to include those and then the Feasibility Study would show that there's no impact financially of doing that. Then once those are done, the Board can approve those reports and we can modify the Capital Improvement Plan (CIP), basically. I don't know when you're going to go over that, Bryan. Are you going to do that under your report?

Mr. Schmalz: I can.

Mr. Flint: Okay. We can have Bryan go over that now or under his report later, but basically, that's what Items D and E are related to, updating the Engineers Report and updating the Feasibility Study, to allow us to utilize bond funds for two additional primary projects that those would be used for. Then the money used for those projects would be replaced by grant money. It allows us to accelerate a couple of projects that we're already planning on doing.

Mr. Gysen: So, there is probably going to be a motion required on that?

Mr. Flint: Yes. Is there a motion?

Mr. Gysen: Would it be better to go through it now while it's here?

Mr. Flint: Yeah, why don't you do that, Bryan?

Mr. Schmalz: So, as George mentioned, the District received \$33.9 million of additional funds from the Florida Department of Environmental Protection (FDEP), towards the construction of the North Water Reclamation Facility (NWRP). So, that brings our grand total to \$60 million. Overall, the estimated cost of construction is right at \$120 million, depending on the final cost as we work through the final phases and the decommissioning process of the South Water Reclamation Facility (SWRF) facility. So, as George mentioned, it allows us to open up funds to accelerate construction of an administration building, as our lease is running out where our current location is. That will be located over in Calesa, where there are approximately 20 acres set aside for the future Water Treatment Plant (WTP) and administration building. Also, we're running out of room for staff, so we have the distribution and collections warehouse that we plan on constructing. This will be a warehouse a little smaller in size that's similar to what you see at the West maintenance facility, down 94th Street by the RV storage area. That would be located at the existing SWRF property once we decommission that site. So, we'll be able to put a warehouse there for storage and office space for staff. Since we're in this process, we went ahead and included WTP Number 1 high service pump upgrades and WTP Number 3, upgrades, including additional high service pumps and wells, just so we weren't limited in the future if those funds are still available.

Mr. Flint: Then for the admin building, we were looking at leasing, I think Colen Built was looking at constructing it and leasing it to us on the future WTP Number 4 sight. This will allow us to now purchase that property and construct it earlier versus acquiring it later.

Mr. Brunner: Very good.

Mr. Stepp: Bryan, if I could. Are you moving forward with the high service pump project or are you just reserving that?

Mr. Schmalz: Right now, we're reserving the funds. It is in our CIP and the Integrated Water Resource Master Plan. As we grow, we'll need to add an additional high service pump, which will be Number 6 at WTP Number 1. Then at WTP Number 3, we have it projected to add

two additional high service pumps, Numbers 7 and 8 and then three additional wells there that were already permitted for in our existing water use permits.

Mr. Stepp: Do you have a plan for that yet?

Mr. Schmalz: Those are the ones we're looking at, WTP Number 4 would need to come online, which we are anticipating for roughly 2030 to 2035 for those projects.

Mr. Stepp: Okay.

Mr. Schmalz: We didn't want to be limited to the use of those funds since we figured it's best to add it now.

Mr. Flint: Alright. Are there any questions on the Kimley Horn or the Willdan proposals? I would just ask that the motions contemplate that the Chair or Vice Chair be authorized to sign the actual contract based on these proposals. So, a contract or a form of a contract that would go with these proposals.

On MOTION by Mr. Stepp seconded by Mr. Gysen with all in favor the approval of the Agreement with Kimley Horn for 2024 update to the Engineer's Report for bond financing in the amount of \$8,900 and the Proposal from Willdan Financial to provide a Financial Feasibility Study Update in a not-to-exceed amount of \$3,500 and authorization for the Chair or Vice Chair to execute was approved.

F. Task Assignment #30 with Jones Edmunds & Associates, Inc. for 2024 Quarterly Groundwater Monitoring and Reporting

Mr. Flint: The next item is Task #30 with Jones, Edmunds and Associates for the 2024 quarterly groundwater monitoring and reporting. Bryan?

Mr. Schmalz: So, the Jones Edmonds task assignment is Task #30. Within our wastewater operating permit, issued by FDEP, we're required to perform groundwater monitoring on eight groundwater monitoring wells that we have within our area. Three are located in our restricted access reuse site and five are located in the golf course or our public access reuse sites. That includes the sampling requirements for those areas for primarily fecal, nitrates, total dissolved solids and chlorides. That fee came in at \$26,288. Next year, we will be seeing an increase in that line item, because as we bring the new plant online, we will continue to maintain the existing eight groundwater monitoring wells with adding five, based off of the new rapid infiltration basin site.

Mr. Flint: Are there any questions? Otherwise, is there a motion to ratify?

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the approval of Task Assignment #30 with Jones Edmunds & Associates, Inc. for 2024 Quarterly Groundwater Monitoring and Reporting in the amount of \$26,288 was ratified.

G. Series 2022B Requisitions #45 - #54

Mr. Flint: Then you have Requisitions #45 through #54 for the Series 2022B Bonds. These were signed by the Engineer and either by the Chair or myself on behalf of the District. They're not required to be approved by the Board, but we always bring them back and have them on an agenda.

Mr. McLeod: I do have a question on that. I've gone through and I've checked it two or three times. Is there a Requisition #53?

Mr. Schmalz: I can answer that, George.

Mr. Flint: Yeah.

Mr. Schmalz: So, there is not a Requisition #53 that's been processed yet.

Mr. McLeod: Okay.

Mr. Schmalz: It was assigned #53, as an owner direct purchase item for Ovivo USA. If I recall correctly, roughly \$1.8 million hasn't been processed yet, as we're still going through all of equipment with Wharton Smith. They sent us the invoice and shipped the material. Wharton Smith is still going through the material, making sure it all arrived in good shape.

Mr. McLeod: So, we'll see that next time, probably.

Mr. Schmalz: Yes, sir.

Mr. McLeod: Thank you.

Mr. Flint: Alright. Are there any other questions or comments on the requisitions? If not, is there a motion to ratify Requisitions #45 through #54?

On MOTION by Mr. McLeod seconded by Mr. Brunner with all in favor the approval of Requisitions #45 - #54 for Series 2022B, with the exception of Requisition #53, were ratified.

H. Amendment Number 5 to Agreement with Kimley Horn Concerning North Water Reclamation Facility (NWRf) Engineering Services - Added

Mr. Flint: Then we added Item H, which is Amendment Number 5 to the agreement with Kimley Horn. Bryan?

Mr. Schmalz: Yes. So, Amendment Number 5 is specific to working with Kimley Horn to create Easement Agreements for Pulte Homes regarding an easement that's necessary for us to fill the golf course pond with reclaimed water. So, the District will have to install powerlines and communication lines to a storm manhole located adjacent to a pond that they have. Currently, the golf course has a well that they fill that pond with. They pump the irrigation water out of that pond to serve the golf course irrigation. The District has already installed the water lines to feed that pond with reclaimed water, but we do not want to unintentionally overfill the pond behind its liner and create potential issues. So, this will allow us to install the equipment to monitor the pond level, to ensure that we, at no point in time, overfill their pond and allow us to provide reclaimed water to that area. The other part of that agreement is for us to secure the north and west easement necessary for us to serve the northern portion of Calesa. So, that way, once the developer is out, it's already taken care of and we won't have to deal with the HOA. That is primarily the main reasons we're proceeding now. But this will secure the northern and western property lines for us to install a 12-inch force main in the future.

Mr. Flint: Very good. Alright, are there any questions on Amendment Number 5?

Mr. Brunner: No.

Mr. Flint: Is there a motion to approve it?

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the approval of Amendment Number 5 to the Agreement with Kimley Horn Concerning North Water Reclamation Facility (NWRf) Engineering Services was approved.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2024-01
Adopting the Bay Laurel Center CDD
Cafeteria Plan**

Mr. Flint: Item 6 is Resolution 2024-01, adopting the Bay Laurel Center CDD Cafeteria Plan. Crystal?

Mrs. House: Mrs. Crystal House, Office Manager. A Cafeteria Plan, also known as the Section 125 Plan, allows employees to convert their taxable benefits, such as their salaries, into non-taxable benefits. Employees enrolled in the District's Section 125 Plan, can take their pre-tax cash earnings to cover their qualified medical, dental, vision, hospital confinement and cancer policies. In the Section 125 Plan, the District sets aside a portion of the employee's wages and covers these benefits. The employee never receives any kind of FICA taxes; therefore, they have

a higher take home pay. The District also benefits by setting aside these wages, since the District will not also be paying FICA taxes or FUTA taxes on these funds. In your agenda booklets, I enclosed the District Summary Plan description and Cafeteria Plan documents. The Summary Plan description is the legal document for communicating plan benefits rights and obligations to our employees. The Cafeteria Plan document is the official legal document that is maintained by the District for our employees, that meets the specific requirements as regulated by Section 125 of the Internal Revenue Code, specifically focusing on what benefits are offered, who is eligible for those benefits, who pays the benefits and how an employee may elect them.

Mr. Flint: Are there any questions on the resolution?

On MOTION by Mr. McLeod seconded by Mr. Brunner with all in favor Resolution 2024-01 Adopting the Bay Laurel Center CDD Cafeteria Plan was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2024-02 Designating Assistant Secretary for the District

Mr. Flint: Item seven is Resolution 2024-02, designating Boe as an Assistant Secretary, replacing Ms. Jo Laymen, who was an Assistant Secretary.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor Resolution 2024-02 Designating Robert “Bo” Stepp as an Assistant Secretary for the District was approved.

Mr. Flint: Can we just recess for five minutes, so District Counsel can speak with Boe before Item 8?

Mr. Brunner: Sure.

The meeting was recessed at 10:18 a.m. and the meeting was reconvened at 10:23 a.m.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2024-03 Authorizing and Approving a Corrective Quit Claim Deed for Tract C in Longleaf VII - Added

Mr. Flint: Item 8 is Resolution 2024-03, authorizing and approving a corrective Quit Claim Deed for Track C in Longleaf VII. Rachel, do you want to present this?

Ms. Wagoner: I can present it. This is a corrective action for a deed that was recorded back in January, where On Top of the World (OTOW) conveyed Track C to the District.

Inadvertently, there was a very small tract of land, a cable closet, basically, that was included, which should not have been conveyed to the District. So, this is a reconveyance back to OTOW of that small parcel.

Mr. Flint: It's 3 Feet by 3 Feet, right?

Mr. Schmalz: Its 20 x 20.

Mr. Stepp: It's pretty small. Mr. Manager, Mr. Vice Chair, I can't vote on this issue, as I represent the developer in items such as this. So, I'll abstain from this vote.

Mr. Brunner: Okay.

Mr. Flint: There's a Form 8B that we'll provide to you, that you will fill out and we'll just keep it on record with the Board meeting.

Mr. Stepp: Thank you.

Mr. Flint: Alright. Are there any questions on Resolution 2024-03. If not, is there a motion to approve it?

On MOTION by Mr. Brunner seconded by Mr. Gysen with Mr. McLeod, Mr. Brunner and Mr. Gysen in favor and Mr. Stepp abstaining, Resolution 2024-03 Authorizing and Approving a Corrective Quit Claim Deed for Tract C in Longleaf VII was approved. (Motion Passed 3-1)

NINTH ORDER OF BUSINESS

Discussion of CDD Ethics Training Requirement

Mr. Flint: Item 9 is regarding the CDD ethics training and changes to the Form 1 process. I'm sure most of you have heard this a couple of times with Indigo and Candler, but there was a statutory change that now requires Special District Board Members to complete the annual ethics training. It's four hours annually. There's a box on Form 1, which in the past, has not applied to you. However, it does apply to you now and it goes into effect for calendar year 2024, which means that between January 1 and December 31 of this year, you have to do the four hours of training and then you would report it on your Form 1 that you file by July 1 of 2025. You're self-certifying that you have completed the training. There are a couple of links to some free online resources that are in the agenda that you can just do online at no cost. There are some other options out there, too and as training opportunities come forward, we'll forward those on to you all. The other change is in the Form 1 filing process. The Supervisor of Elections is no longer involved in that process and it's all online. It's handled directly by the Commission on Ethics

(COE). In the past, you would file it with the Supervisor of Elections and they would submit it to the COE. So, the COE has just taken them out of the middle and have put everything online. You should have received an email from the COE. If not, you will receive one. They are going to provide you with a link that you can click and go online and fill the form out through their website. If you have any questions on it, we serve as the disclosure representative for the CDD. So, you can always reach out to Ms. Stacie Vanderbilt or myself with questions and we'll help facilitate that. It's not due till July 1st. and you can fill it out anytime between now and then. If you haven't received an email or a link, let's wait a little bit to see if you get one. If you don't receive one in the next several weeks or so, let us know and we'll reach out to the COE.

Mr. Brunner: Okay.

Mr. Flint: Are there any questions on that?

Mr. Brunner: The course itself is at <https://ethics.state.fl.us/Training/Training.aspx>.

Mr. Flint: Yeah. The attorney general also has some training, too.

Mr. Brunner: Okay.

Mr. Flint: There is a COE link and an attorney general link.

Mr. Brunner: So, we have to do both of them?

Mr. Flint: No, those are two different options.

Mr. Brunner: Oh, ok.

Mr. Flint: They don't really dictate what you do. I mean, as far as the course requirement, the training has to qualify, but they don't dictate that you have to take this, this and this. You have the option of determining how you're going to meet that requirement.

Mr. Brunner: But in either case, it's four hours.

Mr. Flint: Yeah.

Mr. Brunner: Okay.

Mr. Stepp: Marion County offers one in person as well.

Mr. McLeod: Has anything actually changed from before or it's just an ethics thing?

Mr. Flint: It's just ethics training. It might be training on the Public Records Law or the Sunshine Law or the Gift Law.

Mr. McLeod: Okay.

Mr. Flint: It's those types of issues. There haven't been any substantial changes in any of those laws, but there has been a change now that you actually have to do training.

Mr. McLeod: Okay.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Flint: Alright. Staff Reports. Is there anything from District Counsel? Hearing none,

B. Utility Status Report

Mr. Flint: Bryan?

Mr. Schmalz: As far as on an annual basis, the District is producing right at 4.6 million gallons per day of drinking water or 1.7 billion gallons of water per year, from February of 2023 to January of 2024. Looking at the numbers, there was a 15% increase in flows, with only a 7.5% increase of service connections. We've had a real wet winter, so I was surprised to see those numbers. So, we'll continue to monitor it, but a lot of it comes from the new construction. Regardless of rain, a lot of times they continue to irrigate daily. So, we see that with the establishment period coming from the new homes. As far as wastewater flows, they are up. We're averaging on an annual average basis of 806,000 gallons per day, but we're seeing peaks of well over a million gallons coming to the facilities, which is causing our existing facility to run a little tight. It doesn't like it, but it is making do. The 55% of the wastewater treated in the past 12 months, has been utilized for public access reuse, to offset 204,000 million gallons of groundwater. Overall, the percentage numbers have gone down, but the gallons went up, when you look at it, because we're getting so much more wastewater. That's why the percentage tends to go down. We're actively working with the golf course, to provide additional reclaimed water to their site, that way we're realizing the benefits for the per capita. At the next Board meeting, I will have the annual Southwest Florida Water Management District (SWFWMD) annual report completed. We will provide our per capita. I still have to run through the numbers, but we're looking at right at 155 per capita, which is what our compliance is currently. So, we're five over the target of 150, but we're in line with what our water use permit allows us to be up to, for the next five years. We're allowed to be out of compliance, if you will, with the 150, as we're working towards it. So, that's why we want to maximize our benefits, maximize our deductions that goes to the golf course and get that number below that 150. As far as the NWRP, that is great news, as far as the grant goes. The facility is making great progress. We're getting a lot of equipment in. We're doing a lot of the pretty work, if you will, for the facilities, such as drywall, painting and installing roofs. We're starting to see the facility actually look like something

instead of a lot of pipe underground. We've been doing a lot of hydraulic testing on the structures, sealing up any leaks and doing a lot of the coatings work currently. So, right now, we're still on schedule for that facility as well.

Mr. Brunner: Okay. Quick question. With the existing plant, coming onto 90th street yesterday, into the community just about 6:00 p.m., we noticed it was particularly pungent. Was there anything special going on?

Mr. Schmalz: She's a little sour right now.

Mr. Brunner: Okay.

Mr. Schmalz: But, it is sour currently. Ultimately, it comes down to the digesters, as we receive additional flow, we have additional solids that have to be removed from the process. That limits our capacity in our digesters, that we can store that. So, staff is running out of room as we're reaching the limits of the facility. So, they're working diligently to remove what we call decants, which is water on the top. We basically mix it for a while, shut the air off, allow the clear water to come to the top, because of that, you shut the air off for up to 24 to 48 hours. Doing that to biosolids can create odors and then there is a certain point where you do it a little too much. We're saving dollars because we're removing gallons, but ultimately it can create a sour odor. It has been doing that for the past, I would say, almost three to four days. We've noticed it and I've spoken with staff about what we're doing to bring that around.

Mr. Brunner: I did check the car. The paint was not bubbling.

Mr. Schmalz: I always say, *"I'll do better if you do better."*

Mr. Brunner: Thank you.

Mr. Schmalz: You're welcome. We apologize for the inconvenience.

Mr. Flint: Alright. Is there anything else for Bryan? Hearing none,

C. District Manager's Report

1. Approval of Check Register

Mr. Flint: You have the Check Register from November 1, 2023 through January 31, 2024 totaling \$3,322,355.78. The detailed register is behind the summary. If there are any questions, we can discuss those. If not, I'd ask for a motion to approve it.

On MOTION by Mr. Brunner seconded by Mr. Gysen with all in favor the Check Register from November 1, 2023 through January 31, 2024 in the amount of \$3,322,355.78 was approved.

2. Balance Sheet and Income Statement

Mr. Flint: You have the Unaudited Financial Statements through December 31, 2023. If there are any questions, we can discuss those. No action is required. Hearing none,

ELEVENTH ORDER OF BUSINESS Other Business

Mr. Flint: Is there any other business? Hearing no comments, the next item followed.

TWELFTH ORDER OF BUSINESS Supervisor's Requests

Mr. Flint: Are there any Supervisor's Requests?

Mr. Brunner: No.

THIRTEENTH ORDER OF BUSINESS Next Meeting Date – December 19, 2023

Mr. Flint: The next meeting is March 19, 2024. I think we'll be back over across the street for that meeting. If there's nothing else, is there a motion to adjourn?

FOURTEENTH ORDER OF BUSINESS Adjournment

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


Secretary/Assistant Secretary


Chairman/Vice Chairman