

MINUTES OF MEETING
BELLA COLLINA
COMMUNITY DEVELOPMENT DISTRICT

The Regular Meeting of the Bella Collina Community Development District was held Thursday, November 14, 2019 at 9:30 a.m. at the Bella Collina Clubhouse, 16350 Vetta Drive, Montverde, Florida.

Present and constituting a quorum were:

David Burman	Vice Chairman
Duane Owen	Assistant Secretary
Dutch Holt	Assistant Secretary
Andrew Gorrill	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Jeff Einhouse	District Engineer
Alan Scheerer	Field Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order, four members of the Board were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: There are no members of the public here to provide comments, so we will move on to the next item.

THIRD ORDER OF BUSINESS

Approval of Minutes of the September 12, 2019 Meeting & Acceptance of the Audit Committee

Mr. Flint: Does the Board have any comments, or corrections on those?

On MOTION by Mr. Holt, seconded by Mr. Burman, with all in favor, the Minutes of the September 12, 2019 Meeting were approved and the Minutes of the September 12, 2019 Audit Committee Meeting were accepted.

FOURTH ORDER OF BUSINESS

Consideration of Revised Underwriting Agreement with MBS Capital Markets, LLC

Mr. Flint: You previously approved an agreement with MBS. The change was minor to this agreement. The principals with MBS were the Underwriters on the original bonds. We are working with them on potentially refinancing the special assessment bonds. In conjunction with that, funding some of the additional required irrigation system improvements to be able to use Lake Siena for the common area irrigation.

Mr. d'Adesky: I think the material difference is that the last one just contemplated a REFI. This one contemplates a whole new issuance.

Mr. Holt: On the REFI, does the individual assessment for each homeowner come down?

Mr. Flint: It depends on how we structure it. That's why this leaves it open as to whether it's going to be a REFI, a new issue, or it might be both. One option is you refinance the existing bonds and there's a few different ways to do that. The Board's goal would be to reduce everyone's assessment as much as possible. Then the savings from the REFI go to reduce the annual debt service assessment. Another option is the Board may want to refinance and keep the assessment levels the same and generate capital to be able to use for the improvements. A third option would be some combination of those two. A fourth option would be for them to actually increase, based on what improvements need to be funded.

Mr. Holt: Right now, would they change the rate of the maturity base?

Mr. d'Adesky: It would stay the same under REFI, however, if there's a new issuance then that new issuance would have a new date. The goal would be to keep the maturity the same. For example, they could REFI and use those savings towards constructions and our maturity date would stay the same.

Mr. Flint: Another option is they could shorten the maturity. You could keep it the same and shorten the maturity. Usually you don't see that.

Mr. Holt: What maturity date do have?

Mr. Flint: It was a 30 year bond, and you can't go more than 30 years. So that's why you can't extend the maturity date. I will have to pull the budget up while we are talking. that gets done would have to come back to the Board for discussion and approval. The cost is the same it's still 2% or \$50,000, whichever is greater. The special assessment bonds are through May of 2035. Are there any questions on the agreement with MBS? If not, is there a motion to approve it?

On MOTION by Mr. Gorrill, seconded by Mr. Holt, with all in favor, the Revised Underwriting Agreement with MBS Capital Markets, LLC, was approved.

FIFTH ORDER OF BUSINESS

Public Hearing

Mr. Flint: Staff's recommendation is going to be that we open the public hearing and we continue it to the December meeting because we are not ready yet for the Board to take action on this. We will go ahead and open the public hearing. Is there a motion to do that?

On MOTION by Mr. Burman, seconded by Mr. Owen, with all in favor, the Public Hearing was opened.

Mr. Flint: For the record we will note there are no members of the public here to provide comment or testimony.

A. Consideration of Amended Final Special Assessment Methodology Report

Mr. Flint: The purpose of this public hearing, we had annexed in the balance of the lodge project which was actually outside the District. To be able to assess that project we have to hold a public hearing, and notice the portion of the lodge that was outside of the District before we can actually assess them for debt and O&M. We are reviewing the Assessment Methodology right now and also reviewing the improvements that were made by the developer that were contributed to the District. There's a twelve-inch dry line that was put in and there's a lift station. So, we have the District Engineer evaluating the cost of those improvements that were conveyed to the District. We are going to revise the methodology to take into account that value which will benefit the lodge on what they are going to be paying going forward. We'd only be receiving the benefit of what they contributed. Also, the Chairman asked if we would continue the hearing.

Mr. Owen: So, we were doing a half unit assessment on that?

Mr. Flint: We were doing three quarter initially, we are going to review that as well. We may come back with a lower equivalency factor on the 100 units. We are also looking at the contributed land and assets, the value of that to the District. We will come back with a revised methodology report. We would ask that the Board consider continuing the public hearing to your December meeting, which is December 12th. Is there a motion to continue the public hearing?

On MOTION by Mr. Holt, seconded by Mr. Gorrill, with all in favor, Continuation of the Public Hearing to December 12, 2019, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Agreements

A. Consideration of Aquatic Maintenance Agreement with Applied Aquatic Management, Inc.

Mr. Scheerer: The District maintains two ponds in Bella Collina. The first one is just inside the gate on the Pine Island side where the new playground is going. The other pond is the holding pond that is located at the wastewater and water treatment facility on Pine Island. There is no changes to the agreement as far as costs and terms go, so we would look for a recommendation to approve that.

Mr. Flint: Any question on the agreement? If not, is there a motion to approve?

On MOTION by Mr. Burman, seconded by Mr. Gorrill, with all in favor, the Aquatic Maintenance Agreement with Applied Aquatic Management, Inc., was approved.

B. Second Amendment to Landscape/Grounds Maintenance Services Agreement with the Club at Bella Collina

Mr. Flint: This is for the District’s dry ponds. I believe they are holding their price.

Mr. Scheerer: Yes and these dry ponds also include the water and wastewater plant and Hillcrest water plant as well. They do maintain that as well.

Mr. Flint: When we hired them we were using Yellowstone at the time, and they agreed to match the price that Yellowstone was charging. I think they have increased it one time.

Mr. Scheerer: They are doing a very good job.

Mr. Flint: Are there any questions on the agreement? If not, is there a motion to approve it?

On MOTION by Mr. Holt, seconded by Mr. Burman, with all in favor, the Second Amendment to Landscape/Grounds Maintenance Services Agreement with the Club at Bella Collina, was approved.

C. Consideration of Agreement with Berger, Toombs, Elam, Gaines & Frank to Provide Auditing Services for the Fiscal Year 2019

Mr. Flint: The Board went through a bidding RFP/RFQ process and selected them to perform the annual independent audit with a not to exceed price of \$3,750. Is there a motion to approve the agreement?

On MOTION by Mr. Gorrill, seconded by Mr. Burman, with all in favor, the Agreement with Berger, Toombs, Elam, Gaines & Frank to Provide Auditing Services for the Fiscal Year 2019 was approved.

D. Agreement with Utility Technicians to Provide Meter Reading, Billing, and Repair Services

Mr. Flint: They currently perform the water billing services. They've proposed some adjustments to their fees, but the adjustments are minor. We would recommend approving the new agreement. Any questions on that?

On MOTION by Mr. Holt, seconded by Mr. Gorrill, with all in favor, the Agreement with Utility Technicians to Provide Meter Reading, Billing, and Repair Services was approved.

SEVENTH ORDER OF BUSINESS

Ratification of Agency Service Agreement with PayGOV.US, LLC

Mr. Flint: We've had requests from customers in the past to be able to pay their bill online. One of the problems we've had is the limited number of customers. In the past, it has been fairly expensive to do that. We had utility technicians review two or three different companies that provide these. The fees are not cheap, but it does provide the option if a customer chose to do that, to be able to utilize it. We do have the ability, and I have another district, where the district either subsidizes or pays the fees instead of the customer doing that. I think in this case with the limited number of customers and the amounts of these bills, I think that we should at least start with the customer bearing the expense, and not the District. This company provides us for a number of other governments. They specialize in government utilities, and it does integrate with utility technicians billing system. That's also a benefit and consideration.

Mr. Burman: So, we've already got emails from them.

Mr. Flint: Yes, I had executed this. I'm asking the Board to ratify. Of course, if today you decided you didn't want to do this we could unravel it if we had to.

Mr. Burman: It is easier. Basically, it's three percent or a minimum of \$2.95 that is going to get charged to the homeowner, correct?

Mr. Flint: Yes, if they are going to use a credit card. It's a fairly typically fee.

On MOTION by Mr. Burman, seconded by Mr. Holt, with all in favor, the Agency Service Agreement with Pay.GOV. US, LLC, was ratified.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2020-02 Amending the Fiscal Year 2019 Budget

Mr. Flint: If the total expenses exceed the total budget, the District is required to amend the budget within 60 days of the end of the fiscal year. You can see we have increased. We've recognized \$19,000 of carry forward, and then we've increased our expenses by \$19,000. \$11,000 of that was attorney fees, \$2,000 was engineering, I think we held more meetings than we budgeted for, we had only budgeted six meetings. Also legal advertising because of the expansion and this assessment process. We exceeded our budget on that. Is there a motion to approve the resolution?

On MOTION by Mr.Holt, seconded by Mr. Gorrill, with all in favor, Resolution 2020-02 Amending the Fiscal Year 2019 Budget, was approved.

NINTH ORDER OF BUSINESS

Consideration of Proposal from Wiggins Bros Well Drilling, Inc. to Provide Repair Series

Mr. Scheerer: Included in your agenda package is a proposal from Wiggins Bros Well Drilling to pull, assess, repair, and replace well #5 at the Hillcrest Water Treatment Plant. Just a little history last year during the 2019 budget, the Board approved Wiggins Well Drilling to do the same type of repairs to well #1 and #2 on the Pine Island side. We had \$150,000 in the budget for last year and they came in well under that. There were a lot of unknowns until you actually pulled this turbine motor up, pull the pump out of the well, etc. Some of the challenge they had with this well was this well is about twice as deep as the Pine Island side, it's about 800 feet deep as opposed to 400 feet deep. The water column instead of being 40 feet, it's about 120 feet deep. It's having some of the same problems as well #1 and #2. We currently have it off because the reversing ratchet has failed, which means if it continues to run instead of it stopping when it's supposed to stop, it

could cause the pump in the well to turn backwards and it could damage the impellers. I did speak with Tom Felton, as late as a couple of days ago, as well as Wiggins Bros. They really feel confident that they will come in under this number. The Board did adopt a budget in the capital expense line item for both of these particular wells on the Hillcrest side for \$150,000. So, even if this came in at the full \$66,000 we feel confident it will fall within the budget numbers. We currently have this well off, so the Hillcrest side is actually operating off of just one well. We do have two good working wells on Pine Island side, and we could obviously open the bypass valve should we need that but it's currently not that way. Again this well is off so we are limited to just one well. I will try to answer any questions you have regarding this proposal.

Mr. Holt: The well we just did before was the one on Siena, right?

Mr. Flint: The one we did last year.

Mr. Scheerer: The ones we did last year were at well #1 and #2 on the Pine Island side. There are not off Lake Siena, these are approximately 400 feet deep and they supply the fresh water to the water treatment facility on the Pine Island side. These two wells over here provide the fresh water on the Hillcrest Side. Obviously it's called Hillcrest for a reason, like I said it's almost double the length and depth as far as the well goes. The water column is 3 times deeper, it's 120 feet as compared to approximately 40 feet off Pine Island. There's a lot more work involved.

Mr. Flint: As Alan indicated in the budget you all adopted for fiscal year 2020, we've got well repair rebuild for Hillcrest \$150,000.

Mr. Scheerer: The other well, I shouldn't say #1, the other well, is currently working without any issues. We would at some point and time probably want to come in and assess that and this way we will have all four freshwater wells will have been done in the last year. And should last us for quite some time.

Mr. Owen: What was 120 feet deep again?

Mr. Scheerer: The water column. So, in order to get down to the water, the pump is down approximately 120 feet as opposed to 40 feet on Pine Island.

Mr. Owen: What was 800 feet deep?

Mr. Scheerer: The well itself. The hole itself is 800 feet deep and it's 400 foot on the Pine Island side.

Mr. Owen: We have it in the budget?

Mr. Scheerer: Yeah, and again these numbers could change obviously, but they feel it's going to be less than that. But they really won't know anything until they pull that pump out, and take that pump down to the manufacture in Lakeland. They will pull it apart and assess the damage and what needs to be done. I believe that the 120 foot of stainless-steel shaft and those spider bearings will have to be done. That's probably why it's tightening up in there, but the assembly and the pump itself, there is some unknowns with that.

On MOTION by Mr. Holt, seconded by Mr. Gorrill, with all in favor, the Proposal from Wiggins Bros. Well Drilling, Inc. to Provide Repair Services, was approved.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: We're going to be working with the Engineer regarding the offset costs and getting that done before the next public hearing.

B. Engineer

Mr. Flint: Jeff, anything?

Mr. Einhouse: I don't have anything this morning.

C. District Manager's Report

i. Approval of the Check Register

Mr. Flint: You have approval of the check register for the month of October for the General Fund and the water and sewer fund totaling \$95,888.21. If there's any questions, we can discuss those. If not, I'd ask for a motion to approve it?

On MOTION by Mr. Holt, seconded by Mr. Gorrill, with all in favor, the Check Register totaling \$95,888.21, was approved.

ii. Balance Sheet and Income Statement

Mr. Flint: You have the unaudited financial statements through September 30th. There's no action required. If the Board has any questions, we can discuss those.

iii. Presentation of Arbitrage Rebate Calculation Report

Mr. Flint: You then you have the Arbitrage Rebate Calculation Report for the special assessment bonds indicating a negative rebate requirement of \$2.4 million. There's no arbitrage issue. Is there a motion to accept the Arbitrage Report?

On MOTION by Mr. Holt, seconded by Mr. Gorrill, with all in favor, the Arbitrage Rebate Calculation Report, was approved.

iv. SBA Florida PRIME Monthly Summary Report

Mr. Flint: You have the (SBA) State Board of Administration monthly report that's included just for your information. There is no action required on that.

ELEVENTH ORDER OF BUSINESS

Other Business

Mr. Flint: Any other business? Hearing none,

TWELVETH ORDER OF BUSINESS

Supervisor's Request

Mr. Flint: Are there any Supervisor's request? Hearing none,

ELEVENTH ORDER OF BUSINESS

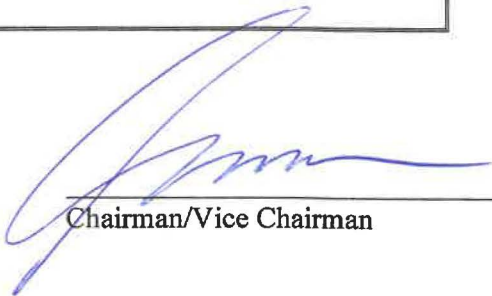
Adjournment

Mr. Flint: If there's nothing else, is there a motion to adjourn?

On MOTION by Mr. Holt, seconded by Mr. Burman, with all in favor, the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman