

MINUTES OF MEETING
BELLA COLLINA
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Bella Collina Community Development District was held Thursday, April 13, 2023 at 10:00 a.m. at the Bella Collina Clubhouse, 16350 Vetta Drive, Montverde, Florida.

Present and constituting a quorum were:

Randall Greene	Chairman
Duane Owen	Assistant Secretary
Andrew Gorrill	Assistant Secretary
Rick Scharich <i>by phone</i>	Assistant Secretary

Also present were:

George Flint	District Manager
Jay Lazarovich	District Counsel
Andy Hatton	Field Manager

FIRST ORDER OF BUSINESS

Roll Call

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

Mr. Flint: We do have Rick's oath of office form on file so he can participate in the votes at this point.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: We just have Board members and staff here at this time.

THIRD ORDER OF BUSINESS

Approval of Minutes of the February 16, 2023 Meeting

Mr. Flint: Next is the approval of minutes from February 16, 2023 meeting. Are there any comments or corrections to the February minutes? Hearing none,

On MOTION by Mr. Greene, seconded by Mr. Gorrill, with all in favor, the Minutes of the February 16, 2023 Meeting, were approved, as presented.

FOURTH ORDER OF BUSINESS

Ratification of Utility Easement Agreements

Mr. Lazarovich: A developer reached out requesting three easements on lots 44, 45 and 46. We prepared the standard utility easement agreement and that contains insurance and indemnification language. These have already been signed and recorded so we are just looking for a motion to ratify these.

On MOTION by Mr. Greene, seconded by Gorrill, with all in favor, the Utility Easement Agreements, were ratified.

FIFTH ORDER OF BUSINESS

Ratification of Proposal from Frank's Air Conditioning for HVAC Replacement at WWTF

Mr. Flint: Item five is ratification but it is actually approval as the work has not been done yet. This is a proposal from Frank's Air Conditioning to replace the HVAC unit at the wastewater treatment facility.

Mr. Hatton: We were having some issues when it started up. It is banging pretty loud and is not cooling like it should. It was having trouble keeping the temperature in there so we had Frank's come out and give us a quote on replacing that. This is where Donald's office is. It is an old floor unit, the one that is there now so it has lived its life.

Mr. Flint: This was a good unit. Was it Carrier?

Mr. Hatton: It is a Carrier now but the proposal is for a Trane unit 3-ton, 14 SEER.

Mr. Flint: Any questions on the proposal? If not, is there a motion to approve it?

On MOTION by Mr. Greene, seconded by Mr. Owen, with all in favor, the Proposal from Frank's Air Conditioning for HVAC Replacement at WWTF, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2023-05 Approving the Proposed Fiscal Year 2024 Budget and Setting a Public Hearing

Mr. Flint: This is Consideration of Resolution 2023-05 which approves the proposed budget for Fiscal Year 2024 and sets the public hearing for its final consideration. Each year the Board approves a proposed budget and has to do that by June 15th and then the Board sets a public hearing for final consideration. We are recommending your July 13, 2023 meeting. I have 9:30 a.m. in this location but we are doing the meetings at 10:00 a.m. so we can change that unless the Board wants to move the meeting to 9:30 or keep it at 10:00.

Mr. Greene: Let's keep it at 10:00 a.m.

Mr. Flint: We will change the time to 10:00 a.m. We have to send a copy of the proposed budget to Lake County and put it on our web site and some other requirements under the statutes. There are two advertisements that go in the legal section of the newspaper in advance of the public hearing itself. The proposed budget is attached as exhibit 'A'. It is not binding on the Board. It is really just a preliminary budget. You can make changes to this between now or at the public hearing in July. We are not recommending any changes to the per unit assessment amounts so there would not be any required mail notice or anything like that. On the general fund, which is on page 61 of your PDF, we are asking for an increase in our management fee. Labor costs are killing everybody and we have tried to avoid increases as much as possible but to be able to keep up with inflation and labor costs, we are asking for an increase. You are not approving it today so you can review this and if you have questions, let us know. That is probably the major difference in the general fund.

Mr. Greene: I was going to ask the percentage.

Mr. Flint: It is 6% and really inflation is running about 6% right now. The utility fund which starts on page 68 the administrative we are asking again for a small 6% increase. It is less than \$1,000 in this budget. On the operations side, because of the additional activity and demand because of all of the construction activity and the new connections, illegal connections, locking off all of that, the amount of time from a billing perspective that Teresa spends and also the amount of time from Andy. We are asking for an increase in the field management on the billing side on the contractual services and those increases are on a percentage basis somewhat significant but they have not really changed and with the level of activity that we are dealing with now is more than when these fees were originally set. We are trying to play catch up on that and get our fees commensurate with the time we are needing to spend out here.

Mr. Greene: Quick question about the illegal connections. How random is it still?

Mr. Flint: It has gotten significantly better and that is the combination of an increase in the fee I think it being a deterrent from \$100 to \$500 then \$1,000 and \$2,000. We have also started locking off all of the whips around homes that are under construction. We have done 150 so far. We bought barrel locks that are between \$4 and \$5 apiece and have bought 150 of those. We need to buy some more.

Mr. Greene: Another box came in last night of 100.

Mr. Flint: That will help significantly locking off all of the unmetered whips. We had an issue with Toll Brothers last week or earlier this week but it has improved significantly.

Mr. Greene: Any issues with Prima at all?

Mr. Flint: They were one of the worst offenders. Andy, I think it has slowed down, right?

Mr. Hatton: Yes, it has.

Mr. Flint: Toll Brothers had a new mason or block/concrete vendor and it was the first homes they were doing for Toll Brothers and they connected across the street so where they connected actually on their lot because the meters had not been set yet and they have not installed the backflow preventers that they need to install. It is all really coming back to them in most of these cases, they are just not getting their stuff together. It has improved significantly. Again, this is proposed and you are not adopting the final budget at this point so if you have questions or we need to make changes. I know that on the CIP side we received some changes yesterday from Tom Felton on some of the recommended items that need to be addressed so we will incorporate those into the next version of this before the public hearing. If there aren't any questions, is there is a motion to approve the resolution?

On MOTION by Mr. Greene, seconded by Mr. Owen, with all in favor, Resolution 2023-05 Approving the Proposed Fiscal Year 2024 Budget and Setting a Public Hearing on July 13, 2023 at 10:00 a.m. at the Bella Collina Clubhouse, was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Flint: Jay anything else?

Mr. Lazarovich: I have no updates at this time unless you guys have any questions.

B. Engineer

Mr. Flint: Steve, anything for the Board?

Mr. Boyd: I don't have anything to report. I know that the developers initiated some new services on some of the newly platted lots but don't know if there is anything to discuss there.

C. District Manager's Report

i. Approval of Check Registers

Mr. Flint: You have the approval of the check register from February 1, 2023 through March 31, 2023 for the general fund, water and sewer fund and the Board pay totaling \$1,373,000. Are there any questions on the check register?

On MOTION by Mr. Gorrill, seconded by Mr. Greene with all in favor, the Check Register Totaling \$1,373,000, was approved.

ii. Balance Sheet and Income Statement

Mr. Flint: You also have the unaudited financials through the end of February. There is no action required by the Board. If you have any questions, we can discuss those.

iii. SBA Florida PRIME Monthly Summary Report

Mr. Flint: We are monitoring the SBA account. That is where you guys are investing your funds beyond your operating reserve and that is run by the State Board of Administration. With the issues with the banks collapsing and those sorts of things, we are monitoring the SBA to make sure there are no issues that we need to take action on to move the money. A significant portion of their portfolio is invested in foreign banks. We had everything that bought a three-month operating reserve invested in the SBA we have increased that to eight months so we pulled some money out. We have participated in some conference calls with them. They have a professional fund manager that is managing that fund. We think we are okay. The banks that they are invested in are the top banks. They have got to comply with some pretty conservative guidelines on how they invest their funds.

Mr. Greene: Did they tell you which banks?

Mr. Flint: They did. There is a monthly summary. Some banks are Royal Bank of Canada, Bank of Montreal, Toronto Dominion Bank, and Bank of Nova Scotia.

Mr. Greene: Those are good banks. The bank collapse here had nothing to do with anything other than classic bank with high interest rates and the fed obsessed with inflation.

Mr. Flint: Just wanted to let you know we are keeping an eye on that and if there are any issues, we will let the Board know.

EIGHTH ORDER OF BUSINESS

Other Business

Mr. Flint: I do have a couple of proposals that we just got in for some additional work. We unfortunately don't have copies for the Board. Andy, do you want to summarize those and see if we can get some authority.

Mr. Hatton: The first one is part of Jim Boyd's report as far as changing out that LED light bulb and fixing the light fixtures at the wastewater treatment plant. We had Terry's Electric come out and do a quote for replacing all of them to LEDs at all three plants, parking lots and driveways out there and it came in at about \$23,100 for all of those and then the two at pump stations 1 & 2 was about \$1,700.

Mr. Flint: We have the money available in our capital improvement fund to be able to do this work. Some of it needs to move forward as it is part of, as Andy indicated, Jim Boyd's report. It probably makes sense if we are replacing a few of them that are out with LED that we go through and go ahead and replace all of them because they are all the same age.

Mr. Hatton: Some of them are missing the lenses and we can't get parts for those fixtures anymore anyway so they have to be replaced with an LED fixture. There are only a few of those on there and this includes all of the LED's. The 4ft. LEDs are the fluorescents that are in the plants, every light in every building.

Mr. Flint: We are getting a second quote from another electrician but if the Board was amenable and if you would approve a not to exceed of \$25,000 for this work, we will get the second quote and based on that quote make a decision on how we move forward.

On MOTION by Mr. Greene, seconded by Mr. Owen, with all in favor, Replacing LED lights at Wastewater Treatment Plants not to exceed \$25,000, was approved.

NINTH ORDER OF BUSINESS

Supervisor's Requests

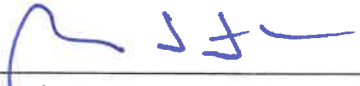
Mr. Flint: Any other items or Supervisor's requests? Hearing none,

TENTH ORDER OF BUSINESS

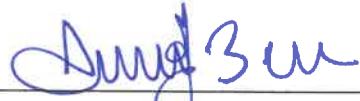
Adjournment

Mr. Flint: Is there a motion to adjourn?

On MOTION by Mr. Greene, seconded by Mr. Gorrill, with all in favor, the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman