

MINUTES OF MEETING
BONNET CREEK RESORT
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Bonnet Creek Resort Community Development District was held Thursday, September 3, 2020 at 2:00 p.m. via Zoom Video Conferencing, pursuant to Executive Orders 20-52, 20-69, 20-112, 20-150, 20-179, 20-193 and 20-246 issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 29, 2020, June 23, 2020, July 30, 2020, August 7, 2020, and September 30, 2020 respectively, and any extensions or supplements thereof, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*.

Present and constituting a quorum were:

Bob Gaul	Chairman
Randall Greene	Vice Chairman
Fred Sawyers	Secretary
Ruth Perry	Treasurer
Herb Von Kluge	Assistant Secretary

Also present were:

George Flint	District Manager
Kristen Trucco	District Counsel
Jim Nugent	District Engineer
Clayton Smith	Field Manager
James Boyd	Boyd Environmental

The following is a summary of the minutes and actions taken at the September 3, 2020 meeting and a copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the August 6, 2020 Meeting

On MOTION by Mr. Gaul seconded by Ms. Perry with all in favor, the minutes of the August 6, 2020 meeting, were approved as presented.

FOURTH ORDER OF BUSINESS

Public Hearings

A. Consideration of Resolution 2020-07 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations

Mr. Flint stated we will open the public hearing and note for the record there are no members of the public present to comment.

You have Resolution 2020-07 in your agenda that adopts the Fiscal Year 2021 budget, which is attached to the resolution. The amounts remain the same and we are recognizing \$99,000 of our fund balance as carry forward. We estimated what our ending cash would be for the fiscal year and anything above a three-month operating reserve we recognize the next year as carry forward and re-appropriate that. The operating reserve is not appropriated but it is on the balance sheet and it carries the District through the first three months of the fiscal year until assessment revenues start coming in. On the administrative side the expenses have come down slightly about \$1,800. On the expense side you will note GMS has voluntarily reduced their field management contract by 15% and has gone down by about \$11,000. The revised landscape contract number of \$198,000 is reflected, which is a 15% decrease in the Yellowstone contract that the Board approved effective July 1. Our end of the current year prorated expenses are slightly lower than our current year budget and the next year's budget reflects 12-months of that 15% reduction. We increased irrigation repairs slightly, part of the deal with Yellowstone, their prior contract included irrigation repairs and the revised contract did not include it so even though there was a 15% reduction in total, the scope was adjusted and we expect conservatively a \$3,500 expense for that. Because of the reduction in the landscape contract and field management and the recognition of that \$99,000 of fund balance we are able to transfer out \$326,000 to the capital reserve. We have been able to increase the transfer out to the capital reserve. The capital reserve fund on page 13, the estimated budget is subject to change based on the cash flow of how the irrigation and monumentation project go and these can be easily changed, they are just budget numbers at this point. We have recognized the \$905,000 payment

from Reedy Creek as part of the settlement agreement for the entrance monuments, but that is in the current year and we will reappropriate it next year in the entry monument line. We balanced next year's budget with the stacking lane project but based on information that the District engineer in his report the budget for the irrigation project is going to be in excess of 20% higher than our original estimate. Likely, any money that is reflected there for the stacking lane project is going to end up getting redirected to the irrigation project.

On MOTION by Mr. Greene seconded by Ms. Perry with all in favor, Resolution 2020-07 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations, was approved.

B. Consideration of Resolution 2020-08 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Gaul asked can you explain how the maintenance assessments are assessed? Are they based on acreage?

Mr. Flint responded on page 14 the operating assessments are allocated on the same basis the debt assessments are and there was a methodology that was done when the bonds were issued and I will be happy to share that with you. It is partially based on planned units. I have to refresh my memory but was adopted at the time by the Board when the bonds were issued based on that methodology and we have continued to use that methodology as the basis for allocating the O&M as well.

Next is Resolution 2020-08, which imposes the assessments associated with the budget you just approved. There are two exhibits attached to the resolution, one is the adopted budget and the other is the assessment roll that indicates the specific properties and the dollar amounts that are to be assessed. Those assessments are done through direct bill versus being placed on the tax bill like most CDDs that use the tax bill for collection. In this case there are six bills that go out and there is a cost associated with putting it on the tax bill we have historically direct billed.

On MOTION by Mr. Gaul seconded by Mr. Von Kluge with all in favor, Resolution 2020-08 Imposing Special Assessments and Certifying an Assessment Roll, was approved.

FIFTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Trucco stated we have been working on an easement for construction of the pump station with Jim Nugent and we completed a letter to South Florida Water Management District to authorize Jim to act on behalf of the District to finish that permitting work.

B. Engineer

Mr. Nugent stated we were just informed that the plans are stamped approved for the entry monument and I will submit a request for the check for review of the revised plans and I will get that to you along with backup from the county website.

The Don Bell Signs contractor submitted his permit application for the electrical in the standalone signs to Orange County.

We initiated the field survey for the topo information needed to complete the permitting for Reedy Creek right of way permit. We are awaiting receipt of their field sketches to draft the information into our survey and that will be incorporated into a plan sheet we will give to Canin that will accompany the plans that go with the Reedy Creek right of way permit application.

I sent via email to George this morning change order no. 1 from the signs for final execution.

We continue to work with Canin on their review of shop drawing submittals and once we have the survey information we will be able to respond to the RFI on the foundation depth for the east monument sign.

Have the two land swap parcels with Reedy Creek been finalized. The Orange County property appraiser is still showing the two parcels from RCID to Bonnet Creek as in ownership of RCID.

Ms. Trucco stated I believe they have been finalized. I think we have recorded documents so it may be the property appraiser is a little bit behind on posting it on the website. I will confirm and circle back with you on that.

Mr. Nugent I asked Jim Boyd, our environmental engineer who is co-designer of the irrigation pump station to attend this meeting so he can address any questions that may come up as items related to his design coupled with ours and Jim and I have had joint discussions with the contractor trying to negotiate a proposal.

We received the permit ready to issue notice from the county and there is going to be fees due to pick up the permit and I will get a check request to George to pay those fees. Under the county's currently economic incentive plan they did waive some of the fees we saved \$31.

We had a site meeting on the 20th with the contractors and Reese Patterson to discuss staging and logistics options for the actual start of construction work and we had a good meeting of the minds and Reese was kind enough to let us use some of the maintenance area adjacent to the pump station site for staging. We will do daily updates to keep him fully in operation.

The items necessary to proceed with pulling the permit will be get the contract put together with Kristen and Jan's help and get a notice of commencement filed with the county and pay the outstanding fees and then issue the formal notice to proceed to the contractor.

Related to that we did submit a letter modification request to South Florida Water Management District for the water use permit that will give them the location of the new pump station, which is listed as a facility with an assigned location in the water use permit. I received several email questions from District staff on that and I have responded to those by email. I anticipate having comments back from the District maybe mid to late September if they have any comments. Hopefully, the permit modification will be issued within 30 days of the submittal.

- **Update on Irrigation Pump Station Replacement**

Mr. Nugent stated I sent to George the budget summary update based on the proposals we received from Pro Pump, the prime contractor. The original proposal for the pump station construction exclusive of the pump station itself, which is direct purchase from Watertronics came in around \$915,000. Through ongoing discussion with myself and Jim Boyd we saved in negotiations with the contractor \$29,000 from his original proposal. We are still over the original pre-design preliminary budget estimate, but we negotiated with the contractor to the best of our ability to get it reduced to keep it closer to the original estimated preliminary budget. In the information I sent to George there is an optional item included for some piping retrofits at the point of connection from the CDD's supply to the meters. We included POC meter refits in the original budget, this is another item that may be worth considering.

Mr. Boyd stated the original quote for each point of connection included a new POC control panel and the monitoring subscription, in this case a 5-year subscription, for the new monitoring system, which currently is on the Hoover Flowguard system and we will be

switching from Hoover Flowguard to the Watertronics Watervision system. All those costs were covered in the original quote but as we proceeded, we had to do some work on the Wyndham POC, they had some existing isolation valves that weren't working. It became apparent that if we wanted an ideal situation most of the existing infrastructure has been there for quite a few years and it is aging and some of it has failed as I just described. Basically, this optional feature will give us a completely new assembly for the connections. We would replace existing valves, replace existing pressure transducers, existing mag meters, everything would essentially be brand new. We can stick with the original quote, which does what we have to have done, which is switching over to the Watervision system or if we want to go the extra mile we can spend additional funds of about \$30,000 so we would essentially have a brand new assembly at each connection point.

Mr. Nugent stated one question came in from the contractor on the irrigation pump station. You are aware that the currently existing pump station sits at the southeast corner of Pond 7 where the reclaimed water is stored for irrigation. We asked them to include abandonment by grouting of the existing 8" pipe that runs from that pump station out to the connection at Chelonia Parkway. One of the cost saving items that they recommend we consider was just cutting the line and capping it in place and burying it below grade and leaving it in place and not filling it with grout. Because the pipe is in an easement it might be feasible and there are going to be electrical controls that go to the pump and electrical feeds that go to the well pump that remain in place, I want to ask Mr. Sawyers since we are in an easement on GBH Golf Course property if that is acceptable or not to cap that pipe below grade or if it does need to be abandoned in place and filled with grout.

Mr. Sawyers stated I would want to take a look at it with my team so I understand exactly what we are looking at before I respond to that.

Mr. Nugent asked do you want me to set up a meeting in the field with Reese and we can walk it and take a look at it.

Mr. Sawyers stated that would be preferred, thank you.

Mr. Flint asked how much is the savings of not grouting versus grouting?

Mr. Nugent responded about \$3,550.

Mr. Flint asked is there any thought that there might be future use of that pipe or is it just the cost savings?

Mr. Nugent responded it would just be a cost savings. When we put the plans together and met with the contractor we asked him to price grouting and the contractor didn't think it would be an issue to cap it and leave it in place.

Mr. Flint stated let's make sure that we don't spend \$3,400 deciding whether we want to grout it or not.

Mr. Nugent stated at the end of July Rocky Carson, our survey project manager, emailed to see if we had the go ahead to respond to the county comments that we received on the replacement drainage and emergency access easements to the CDD pond on the JW Marriott property. We haven't yet responded to those comments and hadn't received feedback and it may have fallen off the radar.

Ms. Trucco asked you said they are emergency drainage easements?

Mr. Nugent stated there is a replacement drainage easement that covered the reconfiguration of one of the CDD ponds that was done with the construction of the JW Marriott. We sent in a vacation request to Orange County and they came back and said that because of the configuration of the drainage easement they wanted a different access route to get there. Effectively, it uses a portion of the driveway that goes into the west side of the JW existing roadway to access the pond, which is tucked in behind it. The county felt that if they had only the emergency drainage easement it would have been too narrow for them to access.

Ms. Trucco stated let me touch base with Jan Carpenter and she will respond. I will call you after the meeting and we can touch base if we are not copied on that correspondence, hopefully you can send that to us and we will get a response out this week.

Mr. Nugent stated it was an email to Jan and I will forward the emails to you so you have the history on it.

Ms. Trucco stated that works and we will get a response out this week.

Mr. Gaul stated you mentioned that you got the building permit and I think that came to me and I forwarded it on. Is there any other thing like that, that will come to my email box let me know.

Mr. Nugent stated you may get further notification on the pump station permit once we get notice of commencement submitted. If I come across something that I think might be coming to you, I can email you and give you a heads up about it.

Mr. Gaul asked the one you mentioned, who is that coming from?

Mr. Nugent responded Orange County building department.

Mr. Flint asked when does the contract with Pro Pump need to be executed?

Mr. Nugent responded the sooner the better. I need to get them to update their proposal from the 28th to incorporate the reduction in the electrical construction cost that they listed from their subcontractor then get that over to Kristen and Jan so we can get a contract put together and get that to the contractor for their review and execution.

Mr. Flint asked what other contracts are going to need to be executed on your budget between now and the next Board meeting? We need to make a decision on the POC retrofits and any other items? The Board is going to need to take some action to authorize the Chairman to execute those agreements because we don't have them at this meeting. To do that we need to have a not to exceed amount set for him to sign and then you would bring those agreements back to the next meeting.

Mr. Nugent responded as far as the pump station goes, Pro Pump will be the prime contractor, the District's contract would be with them. All the other work being done by subcontractors would be by contract between them and Pro Pump and not with the District.

Mr. Boyd stated we do have the Watertronics contract. I know we have the contracts for the main pump station. I don't know that we ever executed contracts for the POCs, both the original proposal from Watertronics and the \$30,000 add for the piping retrofits. The original quote we got from them for \$52,000 I don't think we ever had a contract executed for that. Also, there is the \$9,300 add for the well pump control panel is another additional item.

Mr. Nugent asked would those adds for these other items typically be done as a change order to that contract or a separate contract?

Ms. Trucco asked those separate adds, are we paying a contractor to install those or is our contractor, Pro Pump, installing all the items?

Mr. Boyd stated Watertronics is providing and installing all the equipment for the POCs. With respect to the pump station Watertronics is fabricating specific to the site and unload it and will be installed by the contractor, Pro Pump.

Ms. Trucco asked as far as Watertronics do we have a contract currently?

Mr. Flint stated yes. What we need to deal with is any change order to Watertronics for the retrofits on the POCs and the contract with Pro Pump. The Board will need to approve a

change order for the \$107,257 POC retrofit, the \$9,300 backup well and \$30,157 for the piping retrofit.

Mr. Gaul asked is that the one that all together is \$30,000?

Mr. Flint stated that is an optional, the \$30,000.

Mr. Gaul asked at the beginning of Jim's report did he say we saved \$30,000?

Mr. Nugent stated we negotiated a reduction in the original Pro Pump proposal of approximately \$30,000.

Mr. Gaul stated if we go with the proposal, the money we saved will basically pay for this.

Mr. Nugent stated yes, it will mostly offset the additional optional item.

Mr. Flint asked the \$895,000 doesn't include your negotiated fee?

Mr. Nugent stated no, I just updated this, this morning and the new number for Pro Pump with the \$9,600 reduction is \$885,800.

Mr. Flint stated that is only \$10,000.

Mr. Nugent stated that is \$10,000 in addition to what we talked them down from the original \$915,000.

Mr. Flint stated for Watertronics it looks like it is \$91,457 that would be associated with the POC retrofits and the backup well panel, then for Pro Pump it would be \$885,800.

Does the Board want to do the POC piping retrofits or defer that until later?

Mr. Gaul asked as long as we have been waiting for this would it make sense to have a "like new" system? I would like to do this once and never again.

It was the consensus of the Board to approve the change orders to have the "like new" system.

On MOTION by Mr. Gaul seconded by Mr. Greene with all in favor the change order to the Watertronics contract in an amount not to exceed \$92,000 was approved.
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Mr. Flint stated next would be authorizing the Chairman to execute an agreement with Pro Pump Construction in the amount of \$885,800 subject to review by Counsel and then it would be brought back for ratification. Will the \$885,800 do it as far as the contract? We don't see any upward changes in that number do we?

Mr. Nugent stated I don't.

Mr. Flint asked is that a good number for purposes of the initial contract?

Mr. Nugent stated it should be. What I would like to do is respond to Richard Embry at Pro Pump and let him know that the \$9,600 reduction is appreciated and accepted and have him send a revised formal proposal that incorporates that number and that would then become the basis of the contract.

Mr. Boyd asked what did you come up with for the Watertronics additional cost? I came up to closer to \$107,000.

Mr. Flint stated I added the \$52,000, the \$9,300 and \$30,157.

Mr. Boyd asked what about the \$15,800 for the JW Marriott POC? The total should be \$107,257.

On MOTION by Mr. Gaul seconded by Mr. Greene an amendment to the prior motion to approve the change order to the Watertronics contract in the new amount of \$107,257 was approved.

Mr. Flint stated on the Pro Pump to avoid any potential issue, a motion for the \$895,400 would be in order. It is likely to come down another \$10,000 but if you make a motion for the higher number we won't have an issue with you approving a lower number.

On MOTION by Mr. Greene seconded by Ms. Perry with all in favor Mr. Gaul was authorized to execute the contract with Pro Pump in an amount not to exceed \$895,400.

i. Update on Entry Monumentation Construction

- (1) Ratification of Professional Service Agreement for Utility Locating Services with ECHO UES, Inc.**
- (2) Ratification of Agreement for Surveying Services with Donald W. McIntosh Associates, Inc.**

On MOTION by Ms. Perry seconded by Mr. Sawyers with all in favor the agreement with ECHO UES and the agreement with Donald W. McIntosh Associates, Inc. were ratified.

ii. Update on Irrigation Pump Station Replacement

This item taken earlier in the meeting.

C. Manager

i. Consideration of Check Register

On MOTION by Mr. Gaul seconded by Mr. Sawyers with all in favor the check register was approved.

ii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

iii. Field Manager's Report

Mr. Smith gave an overview of the field management report, copy of which was included in the agenda package.

SIXTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Other Business

Mr. Flint stated each year you are required to adopt an annual meeting schedule and in recent years you have alternated between the Hilton and Waldorf, now we have the JW Marriott as well. There was some discussion about including them in that rotation. Do you want to alternate each month?

It as the consensus of the Board to alternate locations each month.

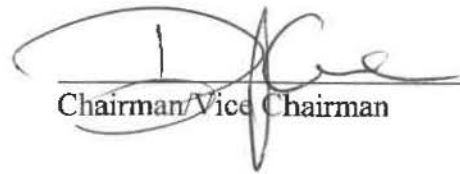
On MOTION by Mr. Gaul seconded by Mr. Greene with all in favor the Fiscal Year 2021 meeting schedule indicating meetings on the first Thursday of the month and rotating between the Hilton Bonnet Creek, the Wyndham Bonnet Creek Resort, and the JW Marriott Orlando Bonnet Creek Resort, was approved.

On MOTION by Mr. Gaul seconded by Ms. Perry with all in favor the meeting adjourned at 2:58 p.m.

September 3, 2020

Bonnet Creek Resort CDD



Secretary/Assistant Secretary

Chairman/Vice Chairman