

**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 7, 2023** at 1:30 p.m. in the Bay Lake Boardroom at the JW Marriot Orlando Bonnet Creek Resort, 14900 Chelonia Parkway, Orlando, Florida.

Present and constituting a quorum were:

Randall Greene	Chairman
Fred Sawyers	Secretary
Herb Von Kluge	Assistant Secretary
Richard Scinta	Assistant Secretary

Also Present were:

George Flint	District Manager
Jay Lazarovich	District Counsel
Jim Nugent	District Engineer
Clayton Smith	Field Manager

The following is a summary of the discussions and actions taken at the September 7, 2023 meeting. An audio 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 no changes, the next item followed.

September 7, 2023

Bonnet Creek Resort CDD

THIRD ORDER OF BUSINESS**Approval of the Minutes of the July 6, 2023 Meeting**

On MOTION by Mr. Scinta seconded by Mr. Greene with all in favor the minutes of the July 6, 2023 meeting were approved as presented.

FOURTH ORDER OF BUSINESS**Update on Chelonia Parkway Pavement Evaluation Report from PSI and Discussion of Contractor Proposal and Pricing**

Mr. Nugent stated we shared the report with the contractor and we are working with the contractor now on pricing. Middlesex has an ongoing contract with Orange County that we hope to piggyback on and use those rates, rather than going through the bid process. Assuming they get the go ahead, they are four to six weeks out to start the work based on their current workload. The initial estimate for the largest portion of paving, phase 1, from the entrance off of Buena Vista Drive up to the four-way stop at Wyndham Grand would be two to three weeks of milling and repaving and one week for base repairs that is showing deterioration. The biggest question is how we phase it, do it all or just the four-lane section that has the most distress. Then, is there a drop dead date and he said with the holidays and their breaks and rain allowances completing that portion of the work by the end of the year will be a difficult challenge. We circulated preliminary engineering cost estimates for the four-lane section and two-lane section treating them as independent phases.

Mr. Flint stated basically phase 1 is \$1,474,000 and phase 2 is \$289,000 rounded to \$1.5 million and \$300,000. The way this was priced is Jim estimated how many square yards of asphalt, striping, put a 10% allowance for failed base to allow for 4-inch-thick asphalt versus 2-inch and a 15% contingency. There is a construction admin allowance in here as well. Obviously, these numbers are significantly higher than anything we had anticipated and as a result we will have some discussion during the public hearing on the budget. We will have to talk about what impact these estimates have and the timing of the decisions the board is going to need to make.

September 7, 2023

Bonnet Creek Resort CDD

FIFTH ORDER OF BUSINESS**Public Hearing**

Mr. Flint stated we will open the public hearing and note that there are no members of the public here other than the board and staff to provide comment or testimony. We will bring it back to the board for discussion.

We included a revised proposed budget. You can see the proposed maintenance assessments for 2024 are significantly higher than 2023 and at the bottom of page 2 you will see what is driving that is the transfer out to the capital reserves of \$1.45 million. We have a capital reserve fund that is funded through transfers from your general fund and the general fund is funded through the direct assessments that each of the landowners within the CDD pay. The main change between what you saw when you set the hearing for today and the version included in your agenda is the increase in the transfer out. The capital project fund is where that money is being moved to. You will see the \$1.4 million coming into the capital project fund and an estimated carry forward of \$673,000 for the current year into next year and both of those together provide for about \$2.125 million in revenue for next year. Offsetting that would be the \$1.8 million we talked about for the paving, \$125,000 for offsite wayfinding, signage, which we confirmed with the vendor that they are honoring their prior quote for that signage. This has a little bit of cushion built into it at \$125,000. There is \$150,000 for berm repair at Crosby Island. The offsite wayfinding signage there is nothing requiring that to be done next year. If we are looking to try to mitigate some of these costs the board could decide to push that out to 2025. We also have a lot of cushion built into the paving number in the event we get the paving done and haven't used all the contingency or haven't used all the base repair money we might be able to still do that. One option would be to push that out a year. Another option on the paving is if we broke it into two phases, phase 1 would be the four-lane section that would allow us to reduce the \$1.8 down to \$1.5 and the next year budget the \$300,000. We can eliminate the contingency. I think we need to keep the Crosby Island berm repair. We don't necessarily have to do it next year but the concern would be if we have a major storm or hurricane, we want to make sure we have the ability to do it if we need to. If we end up eliminating this and have a hurricane and don't have the money that could be an issue.

Page 15 has the impact on each of the properties, it is a significant hit on all the properties. If we phase the paving we defer the offsite wayfinding signage, we eliminated the contingency we can reduce the transfer out by \$475,000.

September 7, 2023

Bonnet Creek Resort CDD

The budget has to be adopted by October 1 and you can approve it based on these numbers and if we don't think the numbers from the Orange County contractor are competitive, we can bid the work directly. I don't know that it will result in lower costs or not. It sounds like if they are not going to get it done before the holidays, we might have time anyway. You can bid it and if it comes in higher, we can always fall back on the county contract.

Mr. Nugent asked is it the board's desire to put together bid documents and go through the formal bid process for the paving?

It was the consensus of the board to have staff prepare bid documents for the paving project.

Mr. Flint stated for purposes of today I would like the board to continue the public hearing to be able to increase the assessments regardless of whether you phase in or not, we have to do a 21-day mailed notice to all the owners.

On MOTION by Mr. Greene seconded by Mr. Sawyers with all in favor the public hearing was continued to September 29, 2023 at 1:30 p.m. in the same location.

- A. Consideration of Resolution 2023-08 Adopting the Fiscal Year 2024 Budget and Relating to the Annual Appropriations**
- B. Consideration of Resolution 2023-09 Imposing Special Assessments and Certifying an Assessment Roll.**

Mr. Flint stated we will continue the public hearing and advertise another assessment hearing for the 29th at this higher amount and on the 29th you can bring it down at that point. You could decide no increase, the phased in \$475,000 or decide to go to bid. We are going to advertise another assessment hearing for the 29th.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

Mr. Nugent stated we did get the annual report on the DOT bridge inspection. There are some maintenance items I need to share with Clayton, mostly dealing with resealing the

September 7, 2023

Bonnet Creek Resort CDD

expansion joints at either end of the bridge and some sidewalk cracking. Generally, the bridge is in good shape.

DOT manages the bridge inspection and they requested that all the property representatives attend the meeting later this month at District 5. I intend to go as district engineer, it is more informative than anything. It is a service they do and they flag any potential maintenance items we need to attend to.

i. Review and Acceptance of the Annual Engineer's Report

Mr. Nugent stated we did get the annual report out before July 1st.

Mr. Flint stated we just put it on here and note that you have to do an annual inspection for the trust indenture and you have provided that to us. Clayton is reviewing it to the extent there is anything identified in there that we need to address.

ii. Status of Entry Monument Project Completion

Mr. Nugent stated we did get the Reedy Creek right of way permits issued, unfortunately, they had a very short fuse and expired August 31st. The contractor worked with them and it has been extended to October 27th. We have been in ongoing discussion with them about a change order they submitted for changes in landscaping, restarting and remobilization. I did negotiate it down somewhat based on discussions with the contractor and he started at \$98,000 that included replacing some of the landscaping that we have to alter, removing things that Reedy Creek says we have to remove, remobilization and maintenance of traffic. I spoke with our landscape architect and asked him to review it based on the contracted breakdown. We got the breakdown last week and what is included in the change order and I shared that with Greg and he brought up one item that he thought might have been a little high on the east monument sign. His initial comment was this looks pretty good except the Podocarpus number might have been a little high. The contractor had 150 and that is in the revised landscape plans.

Mr. Flint stated an area outside of the easement area was cleared and Jim went through a process of calculating that area compared to the other to come up with a percentage that we believe the contractor was liable for on the over clearing cost and the number was in the range of \$30,000. The contractor has said they are only going to pay \$10,000 or \$11,000.

Mr. Nugent stated they proffered a settlement of 15% of the overall cost.

September 7, 2023

Bonnet Creek Resort CDD

Mr. Flint stated which is about a third of what we said they were obligated to pay. That has created some heartburn for me so we have been dealing with that also. What is the board's thoughts on the change order? Do we move forward?

On MOTION by Mr. Greene seconded by Mr. Scinta with all in favor change order no. 6 was approved.

C. District Manager's Report

i. Consideration of Check Register

On MOTION by Mr. Greene 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. Approval of Fiscal Year 2024 Meeting Dates

On MOTION by Mr. Sawyers seconded by Mr. Greene with all in favor the fiscal year meeting schedule reflecting meetings on the first Thursday of the month and the specific locations was approved.

D. Field Manager's Report

Mr. Smith gave an overview of the field manager's report and gave an update on Yellowstone's performance which has greatly improved.

i. Consideration of Yellowstone Quotes for Juniper Replacement

On MOTION by Mr. Sawyers seconded by Mr. Scinta with all in favor the proposal from Yellowstone in the amount of \$8,055.66 was approved.

September 7, 2023

Bonnet Creek Resort CDD

- ii. **Consideration of Quote for Additional Grasses and Fill Ins**
- iii. **Consideration of Highway Signage Shop Drawings**

SEVENTH ORDER OF BUSINESS **Supervisor’s Requests**

There being no comments, the next item followed.

EIGHTH ORDER OF BUSINESS **Other Business**

There being no comments, the next item followed.

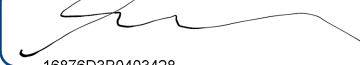
NINTH ORDER OF BUSINESS **Adjournment**

On MOTION by Mr. Greene seconded by Mr. Sawyers with all in favor the meeting was continued to September 29, 2023 at 1:30 p.m.

DocuSigned by:

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Secretary/Assistant Secretary

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Chairman/Vice Chairman