

MINUTES OF MEETING
BELLA COLLINA
COMMUNITY DEVELOPMENT DISTRICT

The Regular Meeting of the Bella Collina Community Development District was held Thursday, May 10, 2018 at 9:00 a.m. at the Bella Collina Clubhouse, 16350 Vetta Drive, Montverde, Florida.

Present and constituting a quorum were:

Randall Greene	Chairman
David Burman	Vice Chairman
Duane Owen	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Steve Boyd	District Engineer

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of September 14, 2017 Board
of Supervisor's Meeting**

Mr. Flint: Does the Board have additions, deletions, or corrections to the minutes?

Mr. Greene: I had none.

On MOTION by Mr. Greene, seconded by Mr. Burman, with all in favor, the minutes of the September 14, 2017 Board of Supervisor's Meeting were approved.
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FOURTH ORDER OF BUSINESS

Ratification of Agreement with Berger, Toombs, Elam, Gaines & Frank to Provide Auditing Services for the Fiscal Year 2017

Mr. Flint: This item is for ratification of the agreement with Berger Toombs to prepare the annual independent audit. You selected them through a competitive selection process prescribed by the statutes. It is for Fiscal Year 2017 with a not to exceed of \$3,225. We had to execute the agreement to get the audit moving forward and completed in time.

On MOTION by Mr. Burman, seconded by Mr. Greene, with all in favor, the Agreement with Berger, Toombs, Elam, Gaines & Frank to Provide Auditing Services for the Fiscal Year 2017 was ratified.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2018-01 Approving the Proposed Fiscal Year 2019 Budget and Setting a Public Hearing

Mr. Flint: This resolution approves a proposed budget and sets a date, place, and time of the public hearing. We are recommending your August 9th meeting for the public hearing at 9:00 a.m. in this location. Exhibit A is a proposed budget which is not binding on the Board. However, if there is any thought that assessments will increase we would need to do some additional noticing. This budget assumes assessment levels are remaining the same.

Mr. Greene: Is that based upon a rate study that you guys do?

Mr. Flint: The water and waste water rates are based on a rate study that was done at the time the bonds were issued. At some point, we will want to revisit those. We did a comparison with other utilities in Lake County and even some in Orange County, and we were right in the middle. That's not how you set the water and sewer rates, but you always want to check. The issue is not the per thousand-gallon rate, it's the consumption of the residents. You could easily have over 100,000 gallons a month in irrigation costs. When you have that much usage, your bill is going to be high but it is not due to the rate.

Mr. Greene: I understand.

Mr. Flint: We will need to refine the utility budget some on the capital side. We are working with the operator right now to develop a better capital improvement program to understand those costs and program them out over several years. We don't think that is going to

impact the bottom line of the budget, but that is a detail we need to incorporate into this. By August 8th we hope to have some of that stuff nailed down.

Mr. Owen: Considering the age of the project, are we starting to establish reserve funds for the water, sewer, and roads?

Mr. Flint: The roads are private. But, the stormwater system has concrete control structures that have a 50-year life span theoretically. We think we have adequate funds on the general funds side to do any repairs that we might need to do.

Mr. Greene: Where the stormwater goes into the system, the caps of concrete at the top of the inlet are breaking off and some places even have exposed rebar. Is that the CDD's responsibility?

Mr. Flint: Steve, do you remember when you did the engineer's report where the delineation is between what is considered the roadway and what is considered the stormwater system?

Mr. Boyd: For the most part, the stormwater system is in the roadway except for the ponds.

Mr. Flint: Are the curbs and inlets considered part of the road? Or are they considered part of the stormwater system?

Mr. Boyd: My understanding is those would be CDD.

Mr. Flint: We will verify that with the engineer's report. I always recommend that curbs and inlets be part of the roadway especially if you have a POA owning the roads and the CDD owning the stormwater. Sometimes, depending on how it was financed, we may have an obligation.

On MOTION by Mr. Greene, seconded by Mr. Burman, with all in favor, Resolution 2018-01 Approving the Proposed Fiscal Year 2019 Budget and Setting the Public Hearing for August 9th at 9:00 a.m. was approved.

SIXTH ORDER OF BUSINESS

**Consideration of Easement Agreement -
Added**

Mr. Flint: Andrew would you like to go over this?

Mr. Scheerer: Sure, I drafted a blanket easement the other day for maintenance purposes, water, stormwater, and reuse purposes.

Mr. Flint: There is water and sewer infrastructure on the lodge property that is owned by the CDD, and part of that turnover process is for the CDD to have an easement to allow access for maintenance.

Mr. Scheerer: The structure is permanent until and unless sufficient is conveyed to us to access those. It is a blanket and we already have a legal for the expansion property so I can just attach that and circulate it.

Mr. Flint: Okay, I don't know if that project is all one parcel.

Mr. Greene: The condominium?

Mr. Flint: Yes.

Mr. Greene: It is one parcel.

Mr. Boyd: It is one parcel now, it was not originally.

Mr. Scheerer: Steve could you send that to me?

Mr. Boyd: Yes, I will send it to you.

Mr. Scheerer: Thanks.

On MOTION by Mr. Burman, seconded by Mr. Greene, with all in favor, the Access Easement Agreement was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: We got all the things together that we need for the expansion sent out. That is in the works now, and thank you everybody for helping get that finished.

B. Engineer

Mr. Flint: Steve, do you have anything for the Board?

Mr. Boyd: I don't have anything in addition to what Andrew just discussed.

C. District Manager’s Report

i. Approval of Check Register

Mr. Flint: Are there any questions on the check register from September 1st through April 30th?

On MOTION by Mr. Greene, seconded by Mr. Burman, with all in favor, the Check Register was approved.

ii. Balance Sheet and Income Statement

Mr. Flint: You have the unaudited financial statements through March 31st, and there is no action required. If the Board has any questions we can discuss those.

iii. Presentation of Arbitrage Rebate Calculation Report

Mr. Flint: This is for the Series 2004 Bonds. It indicates we have a negative rebate requirement of 2.2 million dollars. There is no arbitrage issue there.

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

iv. Presentation of Number of Registered Voters – 60

Mr. Flint: Each year we are required to announce the number of registered voters within the District as of April 15th. We have 60 as of that date, once that number hits 250 this five member Board will begin to transition to general election. Every year we have to announce the number, so obviously we monitor that on an annual basis.

v. Designation of November 8, 2018 as the Landowners’ Meeting Date

Mr. Flint: We are suggesting November 8th, in this location. This is not necessarily a Board meeting although it can occur before or after the Board meeting. Mr. Greene, Mr. Gorril, and Mr. Holt have seats that are up for election. This would be the landowner meeting to reelect those seats on a one vote per acre basis.

On MOTION by Mr. Burman, seconded by Mr. Owen, with all in favor, the Designation of November 8, 2018 as the Landowners' Meeting Date was approved.

vi. SBA Florida PRIME Monthly Summary Report

Mr. Flint: There is no action required on this.

EIGHTH ORDER OF BUSINESS

Other Business

Mr. Flint: Is there anything else the Board would like to discuss?

Mr. Greene: The HOA had originally intended to require a certain infrastructure on every house that has centralized control over the irrigation so that we manage that. The Board has voted that down, and they want to take a monitor, enforce, and penalize approach instead. At the end of this process when we would send warning letters for violations, then their water gets disconnected. I think we need to work together to figure out how we are going to handle that. The CDD owns the data, the CDD has disconnection rights, and the HOA doesn't have any way to force you to do anything.

Mr. Flint: We have the same language in the District's Rules that are in the consumptive use permit. The problem is, and the reason the POA is enforcing it, is because they have a better ability to fine than the CDD does. The CDD's ultimate tool is to disconnect. The fact is that we have an irrigation meter and a potable meter so we could disconnect the irrigation meter without affecting the health and safety of the homeowner.

Mr. Greene: According to Jim Boyd, who monitors this for us, we've hit 90% of what the allowable limit is with 120 homes.

Mr. Burman: All but about 6 homes are violating spectacularly. There are homes that are complying, but it is only a few. Most of them are triple, quadruple, ten times the amount.

Mr. Scheerer: What is causing that, are they filling pools?

Mr. Burman: It's irrigation.

Mr. Owen: When the people purchase their lots, are they given a maximum amount of usage that they are allowed to have?

Mr. Flint: Yes. It's in the District's Rules and Procedures document. The POA documents are required to be provided at closing.

NINTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Flint: Are there any requests that were not discussed?

TENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Greene, seconded by Mr. Owen, with all in favor, the meeting adjourned at 9:24 a.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman

RANDALL F. GREENE