

Bluewater Bay Municipal Services Benefit Unit
Budget Workshop | April 11, 2017

Attendees: The Board of Directors of the Bluewater Bay Municipal Services Benefit Unit held a budget workshop on Tuesday, April 11, 2017 at 5:30 pm, at Bluewater Association Management Conference Room, located at 4400 Hwy. 20, Ste. 311. Board members present were Judy Griffin, David Vardaman, Steve Boswell, Felix Beukenkamp. Residents present were: Mike Griffith, Chris Olson, Branford McAllister, Steve Duresky, Patricia Fralix. Also present were Mike Kent, Jennifer Fillmore, Sabine Henry, and Jordan Hernandez from Progressive Management of America.

Budget Workshop:

Drainage Project, Grant - Judy Griffin and Mike Kent met with the county last week regarding ongoing status of phase II of the grant; initial estimates around \$310,000, including \$260,000 base grant, \$22,000 for engineering and construction management, and 10 percent contingency. The grant requires 25% match of \$77,500 the responsibility for MSBU. Okaloosa County will contribute approximately \$22,500 of the match. Timeframe for completion is June 2018. Potential for utilizing \$15,000 of 2017 carry forward income and budgeting \$40,000 into 2018 budget to fund without a special assessment is possible. David Vardaman stressed importance of maintaining property values through this project by the mitigation of affected properties rather than the unaffected. Felix Beukenkamp reported concerns of County's position of MSBU contribution but also wants to exercise patience to see State's position to approve Phase 2 of the grant; furthermore then Dept. of Public Works would contribute equipment & services already budgeted, as a portion of their match.

2018 Budget – Initial projections of raising assessment from \$66 to \$69 (no more than 5 percent increase as per Florida Statute) were drafted by management; large part of budget is landscaping with removal of blighted bay trees, continuing the removal of popcorn trees, and improvements of various areas (Hwy 20 medians, Magnolia Bay, sod & irrigation repairs, Bradford Pear removal & replacements) as special projects. Other desired areas are replacement of street signs, monument signage. Discussion of a need to approve a special assessment to allow for additional project completion, but determining actual costs is difficult as well as getting owner buy-in. Potential application for FDOT grant to fund median repairs and improvements is a possibility.

No projected changes in Admin/Mgmt fees; master planning line to zero out, desire to breakout individual line items within this category, potential relocation of funds to other areas; Web site maintenance fee remains static; Landscaping maintenance and improvements (e.g. pressure washing), landscaping contract shall be rebid, irrigation repairs increased and landscaping irrigation to increase, as YTD expenses already nearing budgeted numbers. Tree maintenance likely to need additional funding based on blighted bay tree concerns.

Electrical, Lights, pumps, small increases based on actuals and projected increased costs of service from vendors. Signage projecting increases due to street signage needing replacement as many are damaged and need alternative materials sourced and costs sourced to ensure long-term viability. Community signs need updating and some replacement, but street signs are in more dire need of replacement. Desire to breakout monument signs, street signs and community signs or create maintenance budget for items like pressure washing.

Reserves to be funded at ten percent of total projected budget. Projects to be determined from remaining funds – to be distributed among common area landscaping, pressure washing, etc. Adjustments will be made and a revised draft presented to the board prior to May Board Meeting

Next workshop May 9th at 5:30pm

Respectfully submitted
for the Board of Directors,



Jordan D. Hernandez, CAM