

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

A Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, February 9, 2011 at 6:30 p.m.**, in the **Commission Chambers, Coral Springs City Hall, 9551 West Sample Road, Coral Springs, Florida 33065.**

Present at the meeting were:

David Hulett	President
Emily Heafy	Vice President
Joe Morera	Secretary

Also present were:

Craig Wrathell	District Manager
Doug Paton	Wrathell, Hunt & Associates, LLC
Matthew Kozak	Wrathell, Hunt & Associates, LLC
Bill Capko	District Counsel
Cory Selchan	Field Superintendent
Tom Donahue	District Engineer
Rhon Ernest Jones	District Engineer
John McKune	McKune & Associates
Craig Dunlap	President, Dunlap & Associates, Inc.
Bill Reagan	Raymond James
Pfilip Hunt	Gardnyr Michael Capital

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Hulett called the meeting to order at 6:30 p.m. Mr. Wrathell called the roll, noting, for the record, that Supervisors Hulett, Morera and Heafy were present, in person.

SECOND ORDER OF BUSINESS

Citizens' Requests

There being no citizens' requests, the next item followed.

THIRD ORDER OF BUSINESS

Consideration of Financial Advisory Agreement from Dunlap & Associates, Inc.

Mr. Wrathell presented the Financial Advisory Agreement from Dunlap & Associates, Inc., and noted the Board previously authorized Mr. Dunlap's hiring and this item is asking to take action to officially approve the agreement. Mr. Wrathell indicated the agreement calls for a flat fee of \$25,000. The structure of the agreement makes it ongoing but there are no ongoing financial obligations as part of the agreement; services can be requested, if needed.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, approval of the Financial Advisory Agreement from Dunlap & Associates, Inc., as presented, was approved.

FOURTH ORDER OF BUSINESS

Recommendation from Dunlap & Associates, Inc., to Hire Investment Banker

Mr. Craig Dunlap, of Dunlap & Associates, Inc., introduced himself and distributed a memo of his recommendation. He indicated a request for proposals (RFP) went out on January 20th and follow-up questions were sent to all three (3) respondents on February 1st. Mr. Dunlap reported that the firms of Royal Bank of Canada Capital Markets (RBC) and Gardnyr Michael Capital (GMC) submitted a joint proposal; Raymond James submitted independently.

Mr. Dunlap reviewed the criteria and point system established to determine the firm that would serve as senior manager for the financing. He directed the Board to the table on Page 2 of his recommendation memo, containing a summary of responses and highlighted the findings. Mr. Dunlap noted the evaluation assumed a \$15 million bond issue.

Based on the criteria established, point totals and his review, Mr. Dunlap recommended the Board appoint RBC/GMC as the senior manager with 80% of the underwriting liability between the two (2) firms and appoint Raymond James as co-manager with a 20% underwriting liability. He felt the inclusion of Raymond James could benefit the District if there are retail purchasers, at the time of marketing.

Mr. Dunlap indicated Mr. Pfilip Hunt of GMC and Mr. Bill Reagan of Raymond James are present and thanked them for their attendance.

Ms. Heafy voiced her preference for appointing only one (1) manager and asked Mr. Dunlap to explain the benefit of appointing a co-manager. Mr. Dunlap indicated the reason he made the recommendation to include Raymond James was for marketability; RBC/GMC are

more institutional types of firms, where Raymond James has more retail outlets catering to the retail customer. Mr. Dunlap felt that could be important to the District in the distribution of the bonds and could, potentially, result in lower interest costs for the debt; however, if the retail side is not buying, this becomes a moot point.

Mr. Hulett asked Mr. Dunlap to differentiate the insured approach and the debt surety. Mr. Dunlap indicated there is only one (1) insurance company currently available. Mr. Dunlap indicated this is an evaluation that would need to be made at the time the District markets the bonds. Mr. Dunlap discussed the insurance aspect and the break-even point for the viability of bond insurance being 50 to 65 basis points.

Mr. Morera questioned his interpretation of Mr. Dunlap's recommendation that it is better to have two (2) firms splitting, with an 80%/20% distribution so the District can capitalize on the potential customer base for the bonds. Mr. Dunlap replied affirmatively of Mr. Morera's interpretation and briefly described the differences and benefits between the institutional and retail buyers.

Mr. Dunlap reviewed and explained the underwriter's discount of each firm and its impact. Mr. Morera asked Mr. Dunlap to estimate the amount the residents will end up paying, in relation to the bond process. Mr. Dunlap indicated he cannot answer the question now, noting his understanding of the markets and his belief that the knowledge of the firms will result in interest savings that exceed what will be paid to the firms.

Mr. Morera referred to a bond market condition report previously presented by Mr. Wrathell and asked for input regarding the appetite for the type of bonds the District seeks to issue, given the current market conditions. Mr. Dunlap indicated there will be an appetite for the bonds; the question is at what interest rate. Ms. Heafy noted the District's bonds will receive their revenue through taxes so there is not an issue with defaulting. Mr. Wrathell summarized, the equity markets are more attractive than before and the new concern is what will happen with defaults. Mr. Wrathell discussed it being a flow of money issue and confirmed that the question is what will entice buyers to buy the District's bonds. Mr. Morera asked if this means the true interest cost will be higher than anticipated, based on what was projected and what it might actually be. Mr. Wrathell indicated the methodology assumed a 7% to 7.5% interest rate but the belief was it might come in as low as 5.5%. Mr. Wrathell noted the inability to predict the market at the time the bonds close. Mr. Wrathell explained the assumptions related to the 7% to

7.5% and timing of assessment payments. Mr. Wrathell felt the assessment should still come in under the previously projected \$68 per unit.

Mr. Hulett voiced his support for Mr. Dunlap's recommendation.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, appointment of RBC/GMC as the senior manager, with 80% of the underwriting liability, and appointment of Raymond James as co-manager, with a 20% underwriting liability, as recommended by Dunlap & Associates, Inc., was approved.

FIFTH ORDER OF BUSINESS

Discussion: Development of Timetable for Bond Financing

Mr. Dunlap reviewed his timetable for the bond financing. He voiced his desire to close the bonds by early April.

Mr. Pfilip Hunt, of RBC/GMC, and Mr. Bill Reagan, of Raymond James, thanked the Board for the opportunity to work with the District.

SIXTH ORDER OF BUSINESS

Discussion: Florida Statute 112.0801 and GASB 45 Requirements Pertaining to Future SWCD Retirees

Mr. Wrathell recalled that Mr. Morera brought up the issue of Florida Statute 112.0801 and GASB 45 requirements pertaining to future SWCD retirees. Mr. Wrathell referred to his January 13, 2011 email indicating his interpretation, as a non-lawyer, is that the ICMA-RC 401 A and 457 retirement program do not meet the definition of retiree, contained in the statute. Mr. Wrathell explained the issue involves whether an employee who retires can continue to participate in the group health plan arrangement, basically being locked in at the group rate. Mr. Wrathell indicated this matter was presented at the Florida Association of Special Districts (FASD) and the presenter's off-the-record opinion was that, if District Counsel provides a legal opinion that the District does not comply with, then, from an auditing GASB 45 perspective, they consider it a done issue. Mr. Hulett voiced his opinion that the statute is clear, as it says anyone who retires under a state retirement system and the District's employees are not in a state retirement system. Mr. Capko noted, what appears to be clear is not. Mr. Capko indicated his

partner, Mr. Jim Linn, met with the Division of Retirement director and their position is consistent that the initial drafting of this section of the statute clearly indicates that all special districts, counties, cities and other governments are required to have their retired employees participate in the same plan as the active employees. Mr. Capko agreed with Mr. Wrathell's impression that this would result in bumping up the cost of the District's plan, assuming they have retired employees wishing to participate. Mr. Capko indicated this part of the statute was in place prior to paragraph 2, which was added in 2007, which was intended to clarify the Florida retirement system eligibility; however, the current version could have been due to sloppy draftsmanship. Mr. Capko indicated he cannot give a 100% opinion that the Division of Retirement's interpretation is correct and stated the District has the option to take no action at this time, in the hope that the problem goes away, because of new legislation.

SEVENTH ORDER OF BUSINESS

Discussion: Check Detail Questions for CSID Rentals and Leases

Mr. Kozak recalled a previous question about the November 2010 check detail and why two (2) checks were paid to CSID for rentals and leases. Mr. Kozak indicated the Board is correct in thinking that only one (1) check should have been cut but noted there was not an overpayment; rather, it was the result of a slight complication during the transition into the new fiscal year and SWCD's termination of CSID as human resources provider. He confirmed, going forward, only one (1) check will be cut.

EIGHTH ORDER OF BUSINESS

Informational: Correspondence Pertaining to The Clusters Subdivision

Mr. Capko referred to old District correspondence related to The Clusters subdivision to reflect the District's thinking, years ago. He noted it appears the District was not interested in owning more land than they needed but it does appear that they did give away some key access points.

NINTH ORDER OF BUSINESS

Informational: Correspondence from Senator Bill Nelson Regarding FEMA's De-Obligation of Funds

Mr. Paton indicated letters were sent to representatives regarding the District's appeal to FEMA. He noted some assistance from local representatives putting the District in touch with the state's emergency management office. The appeal is still pending; however, FEMA has not acted upon it. Mr. Paton indicated he is still trying to obtain information from the company that hauled the dumpsters away. District Counsel sent a formal letter requesting specific information the District needs. Mr. Paton feels the company does not have the information and noted they have not responded to the District's letter. Mr. Paton indicated he received an email from a company representative but it was not helpful. The District may be fighting a losing battle regarding the dump records.

Mr. Paton referred to the letter from Senator Bill Nelson, who is looking into the matter, along with the state emergency management office, who appears to be on the District's side. He was encouraged that they might put pressure on FEMA to settle this matter by penalizing the District. Mr. Paton explained the District documented 90% to 95% of the work done and there is only a tiny piece of work, performed by subcontractors, which they have not been able to document in the way FEMA wants. Mr. Paton stated FEMA's policy is "cradle to grave", meaning, if you cannot prove everything from start to finish, you lose out completely. He commented that FEMA wants records from five (5) years ago and is hopeful that the matter can be settled with only a small penalty.

TENTH ORDER OF BUSINESS**Notice of Landowners' Meeting – March 9, 2011**

- **Official Ballot**
- **Landowners' Proxy**
- **Copy of Legal Notice**

Mr. Wrathell advised that the ballot and proxy were provided in the January Agenda package. He presented the proof of publication of the upcoming landowners' election. He noted that Ms. Heafy's term expires March, 2011.

ELEVENTH ORDER OF BUSINESS**Approval of January 12, 2011 Regular Meeting Minutes**

Mr. Hulett presented the January 12, 2011 Regular Meeting Minutes and asked for any additions, corrections or deletions. The following change was made:

Line 334: Change “they” to “Sunshine Water Control District”

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, the January 12, 2011 Regular Meeting Minutes, as amended, were approved.

TWELFTH ORDER OF BUSINESS

Supervisors Requests

Mr. Morera reported on his attendance at the Florida Association of Special Districts (FASD) meeting in East Manatee Fire Rescue District. He will forward the FASD materials to Management to provide to the Board. He mentioned a speaker who discussed how special districts should use funding and the best places to invest that type of money; his PowerPoint presentation should be forthcoming. Mr. Wrathell indicated Mr. Dunlap also has an association with a group that can handle these types of investments. Mr. Morera indicated a legislative update was given and discussion on the pension reform update, with a response from the union pushback. Mr. Morera felt the meeting was worthwhile in gaining new insights on how various districts operate, as compared to SWCD. The next meeting will be in Tallahassee on March 30, 2011.

Mr. Morera reminded everyone that the Taste of Coral Springs will be held on Tuesday, February 22nd at the Coral Springs Center for the Performing Arts.

Mr. Hulett asked Mr. Wrathell to confirm whether the HR functions have transitioned smoothly. Mr. Wrathell indicated there were extra tasks or procedural items, previously performed by Mr. Jan Zilmer, for which Management has had ongoing discussions with Mr. Selchan to clarify the details in performing those tasks.

Mr. Hulett thanked the Board and Staff for their cooperative efforts.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Capko reported that Mr. Lewis will likely be contacting Senator Jeremy Ring, who has significant issues with some of the 298 districts. Senator Ring indicated he has concerns and

feels some districts need to be dissolved and he intends on challenging 298 districts in Broward County. Mr. Capko confirmed none of the issues or abuses Senator Ring is claiming are relevant to SWCD. District Counsel will determine how best to deal with Senator Ring, possibly by meeting or otherwise educating him on the workings of districts. Brief discussion ensued regarding Senator Ring's political party affiliation and the unlikelihood of his proposed legislation progressing.

Mr. Morera acknowledged the discount afforded to the District by District Counsel.

b. Engineer

i. Monthly Engineer's Report – 01/04/11 to 02/01/11

Mr. Ernest-Jones presented the monthly Engineer's Report.

ii. Consideration/Discussion of Permits/Applications/Letters of No Objection

- **Permit Application Review: JMD Industrial, NW 41st Street and Coral Ridge Drive**

*****This item, previously Item 13b.iv., was presented out of order.*****

Mr. Ernest-Jones referred to the permit application log, noting they are set to issue the permit for JMD Industrial and briefly reviewed the work to be completed and the terms of the permit. Mr. Ernest-Jones recommended approval.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, the permit application for JMD Industrial, NW 41st Street and Coral Ridge Drive, subject to the conditions set forth in the January 25, 2011 recommendation letter, was approved.

iii. Permit Application Log

*****This item, previously item 13b.v., was presented out of order.*****

Mr. Ernest-Jones referred to the Permit/Application Log and reported that they are still exchanging information and the permit application for Chase Bank is not ready for recommendation. They have not heard from the city regarding the Coral Springs Fire Station permit; it is in the city's hands to attempt to avail themselves to the Board to work out a mutually agreeable solution. The Burger King permit is on hold.

- **Permit Application Review: Fence Request – 3781 NW 114th Avenue – Pepicelli**

*****This item was an addition to the agenda.*****

Mr. Ernest-Jones referred to the permit application, noting it was previously determined that a letter of no objection could be issued if the fence was pulled back to the easement line. The applicant wishes to proceed with the fence as stated in the application.

Mr. Donahue reviewed the application and the proposed fence location. Mr. Ernest-Jones recommended denial of the application, based on the District's desire to preserve SWCD right-of-ways and easements and, due to the proposed fence location, there being a strong possibility that removal would be necessary, in order to gain access. Mr. Donahue indicated Mr. Selchan has confirmed there are other entry points available. Mr. Donahue noted that the recommendation letter includes a list of special conditions, should the Board choose to issue a permit.

Discussion ensued regarding easements, right-of-ways and letters of no objection. Mr. Selchan indicated, historically, the District almost never disallowed fences on the properties, unless it was needed for access. Mr. Selchan indicated, in this specific case, he would never need the area to launch a boat; however, the other side of the canal is wider and it would make better sense for him to use that area. He was inclined to say he would never use this area but acknowledged that Mr. Ernest-Jones may be looking out for the Board's desire to not allow anything on the District's easements.

Mr. Hulett voiced his support of approving the fence, subject to a removal agreement. In response to Mr. Morera's question, Mr. Ernest-Jones confirmed the removal stipulation is attached to the property. Further discussion ensued regarding easements, access, the City of Coral Springs' access needs and Mr. Ernest-Jones stood steadfast in his recommendation to deny the application.

******Ms. Heafy left the meeting at 7:55 p.m.******

Mr. Hulett had no issue with approving the application, as the city has no issue and Mr. Selchan has confirmed he does not need access via the easement. Mr. Ernest-Jones suggested, if the Board approves it, a letter should be sent to the City of Coral Springs notifying them of the Board's determination that the District does not need the easement for access. Discussion ensued on including a condition that requires the property owner to remove material and vegetation from the District's right-of-ways and keep it clear.

Mr. Wrathell discussed the differences between easements and rights-of ways and voiced his opinion that regardless of what it is, the District should view them as areas where, if something is put on them, it must be removed, should the District need to access the area.

Mr. Hulett spoke in favor of approving the permit and felt the neighboring property owner should be notified of the project and the fact that, should SWCD need access, they will need to clear the overgrowth on their property. Mr. Hulett stressed the necessity for flexibility.

Mr. Ernest-Jones felt the language in the permits should state that the property owner is responsible for maintaining the landscaping in the right-of-ways and the only landscaping allowed is grass. Mr. Donahue added, if the Board will approve the permit, it should be subject to the special conditions contained on Page 2 of their recommendation letter. It was noted that the first item would be changed to require installation of six (6)-foot wide access gates. Mr. Ernest-Jones stated the last special condition would also include a statement that maintained grass is the only landscaping permitted in SWCD right-of-ways.

Mr. Hulett referred to the condition of the city's drainage pipe and suggested that, as a matter of courtesy, the District send a letter to the city notifying them that the drainage pipe appears to be in poor condition. Mr. Ernest-Jones indicated Mr. Rich Michaud should also be copied on all fence permits.

Mr. Morera suggested requiring the property owner to attend the next meeting and indicate, on the record, that they are agreeable to the conditions, rather than voting on this item today. Mr. Donahue and Mr. Ernest-Jones noted that a delay of a month is typically a hardship to property owners. It was suggested that the property owner be required to provide written acknowledgement of the conditions of the permit, prior to the issuance of the permit.

On MOTION by Mr. Morera and seconded by Mr. Hulett, with all in favor, the Permit Application for 3781 NW 114th Avenue, REJ/IBI Job #08-0406.01/22761, subject to the amended special conditions, as discussed, was approved.

▪ **Discussion Continued: Monthly Engineer's Report – 01/04/11 to 02/01/11**

Regarding the East-West Basin Interconnect, Mr. Ernest-Jones indicated the study was distributed to the Board and is undergoing final review by Mr. Selchan and Mr. Michaud. Mr. Hulett asked if the west basin is typically a foot higher than the east basin. Mr. Selchan indicated

it depends on the season. Mr. Hulett asked, as there is an interconnect, why not just leave it open and let the system seek its own level. Mr. Selchan indicated there could be issues with the water being low on both sides, which would not be appreciated by residents. Mr. Selchan discussed which sides get water and when. Mr. Ernest-Jones explained the necessity of operating criteria which sets forth the guidelines of what Mr. Selchan will do. Discussion ensued regarding water levels, benefit of the interconnect and each individual basin.

Mr. Hulett asked who will share the construction costs. Mr. Ernest-Jones indicated there was a grant and contribution from the city to study and design the interconnect. The next stage is to finalize the operating criteria and then funding discussions with the city will be necessary; the city's grant writer will research funding opportunities. Mr. Donahue reviewed the timeline for the project. Mr. Ernest-Jones discussed the flow of the basins.

iv. Canal Clearing Update

******This item, previously Item 13b.iii., was presented out of order.******

Regarding the canal right-of-way encroachment, Mr. Wrathell indicated the new city manager took an interest in the District's situation. The approach is to be as flexible as possible. The city expressed concern about the District sending a mass mailing. The city suggested the District focus on a smaller area, first; perhaps one that would be a likely success. Mr. Wrathell referred to the canal bank restoration program and suggested that, when the District does the silt removal/canal excavation program, as part of the CIP, those areas be the focus and those banks be restored and used as an example of a success. Mr. Wrathell thought about 25% of the canal banks could be addressed through that program, with the expectation that the property owners continue to keep their canal banks clear, going forward. Mr. Ernest-Jones indicated his recommendation is the same. Discussion ensued regarding notifying residents and Mr. Wrathell indicated the city would like the District to work with them on it. Mr. Wrathell noted the city again offered the possibility of including an insert in its quarterly newsletter magazine. Mr. Wrathell suggested utilizing the upcoming hurricane season as an opening to the District's subject matter; explaining the District, what it does to get prepared, work that is being performed and work that will be performed.

Mr. Hulett referred to the meeting with the city and noted the suggestion that the District determine a small test area, then prepare and send a letter to only the residents of that specific area. Mr. Ernest-Jones suggested an area behind the country club. Mr. Wrathell reiterated that

the city wants to see any letters, prior to them being sent. Mr. Hulett indicated Mr. Michaud will be the contact person with the city. In response to a question, Mr. Wrathell indicated he tried to get a waiver for a tree removal permit but the city did not seem receptive and did not want to discuss it. It was suggested that this problem be addressed, as it is encountered during the project. Mr. Selchan discussed the city's current approach and Mr. Hulett felt the matter can be negotiated, when necessary.

Mr. Hulett asked Mr. Ernest-Jones to follow up on the area he identified to determine if it is a workable starting point for the test area, draft a letter to property owners and discuss this project with Mr. Michaud at next month's meeting. Discussion ensued regarding Mr. Ernest-Jones' draft letter and the city's concerns. Mr. Hulett summarized the District's goal is to gain access to the canals where they do not have it, where it is important to have and there is no other place to access it. Mr. Hulett stressed the District should be reasonable, if there is another point of access, it should be considered.

Mr. Ernest-Jones discussed the parameters needed for access. He indicated that he met with Mr. Selchan and the city. The city agreed that 25 feet from the top of the bank is what would be needed for a canal clearing operation. Mr. Hulett questioned the distance of 25 feet and asked if that means they will want another 5 feet of property owners' land. Mr. Ernest-Jones replied no, acknowledging that some canals are only accessible by boat. Mr. Selchan explained some areas have more than enough room for access; however, the majority of the areas will only have the minimum amount of access necessary, so there will not be room for trees and landscaping.

Mr. Hulett suggested bringing this matter back for discussion and consideration at the next meeting.

Mr. Morera noted the letter is the District's, not the city's letter; therefore, the city's input should be considered but not taken as a mandate. He feels that any wording the District deems necessary should be included and the letter should not be "cleansed" by the city because they feel uncomfortable with the District's verbiage.

Mr. Morera noted a city code enforcement policy about property owners maintaining the canal bank to their edge and asked if there was discussion with the city about them adhering to their own policies. Mr. Selchan felt the city's policy is that there can be landscape items and

those are fine, as long as they are maintained, it does not mean plants are not allowed. Mr. Ernest-Jones noted that needs clarification because it is supposed to be only grass.

Mr. Ernest-Jones indicated he will work on the draft letter but stressed his beliefs about access requirements and taking a strong stance. Mr. Hulett stated the District wants to approach this with a degree of flexibility, to get the job done, without creating a resident uproar, given the fact that nothing has been done or enforced for the past 50 years.

Mr. Wrathell voiced his concerns with the tree permit issue and felt the District should have a discussion with the city requesting a blanket tree permit. Mr. Wrathell suggested explaining to the city that some trees will be deemed a hazard and will need to be removed and should be an exception to the permit requirement, giving the District flexibility. Mr. Hulett stated he is not completely clear on the city's tree policy and it should be clearly defined. Mr. Ernest-Jones suggested seeking a determination, from District Counsel, regarding the District's legal rights regarding whether they must get a tree removal permit from the city, as he is confident that other entities, such as South Florida Water Management District (SFWMD), do not obtain them. Mr. Capko indicated he will review the city's tree protection ordinance but doubts, except with minor exceptions, that the District would be required to follow the ordinance and/or that the city would be able to charge or ask for mitigation. Mr. Hulett asked Mr. Capko to determine the District's legal rights. Mr. Ernest-Jones felt the city has become very comfortable in its assumptions of its rights and the District may have to educate them on it. In response to the city's question about the District's power, Mr. Wrathell indicated he told them if it is in the District's right-of-way, it goes, without any permit or mitigation. Mr. Wrathell told the city the District has the ability to remove it and assess the property owner for the removal costs; the only reason that is not being done now is that the District does not feel it is politically palatable.

Mr. McKune suggested it is important to determine how the city and the District each interprets the city's code and determine if it needs to be changed so there is an unambiguous meaning to the requirement that the property owners maintain the bank down to the water's edge and what ground coverings are allowed. He feels this would allow the District to write its code, tying it into the city's code, tying what the District wants to do into what the city wants to enforce.

Mr. Morera indicated he wants to ensure that the Board is managing the District and it is not being managed, by proxy, by someone else.

Discussion ensued regarding the ability to include an aerial photo in each property owner's letter showing them their violations and/or letting them know their yard is properly maintained.

v. **Pump Station Update**

******This item, previously Item 13ii., was presented out of order.******

Mr. Ernest-Jones reported the design phase of Pump Stations 1 and 2 is where it should be and commended Weitz on their diligence in arriving at a guaranteed maximum price (GMP), design and a contract price that is beneficial to the District. He indicated they determined it is more effective to put in temporary sheet piling, which will be dewatered, so that approach will be included as part of the bid package. Mr. Ernest-Jones indicated a side-by-side comparison between MWI and FPI was completed. The determination was that MWI offers a more favorable price and offers a higher level of comfort regarding service. He indicated that FPI reduced their price by \$44,000, beating MWI's price by about \$20,000; however, he does not feel that signals a good business approach. Mr. Ernest-Jones voiced his opinion that MWI is the more mature, reliable and sophisticated group. He discussed the consequences for cancelling the order for the pumps and other related items.

In response to Mr. Morera's question, Mr. Ernest-Jones confirmed the cost of \$795,000 is the cost for all pumps and motors, for both stations, including manufacturing and delivery. He indicated installation is separate; however, the price includes bench testing of each pump, prior to delivery, to ensure they perform.

On MOTION by Mr. Morera and seconded by Mr. Hulett, with all in favor, authorizing the District Engineer to seek a purchase order to order the pumps from MWI, as discussed, was approved.

Mr. Ernest-Jones indicated there are a few items being excluded from the design and contract, for example, not including the automatic trash cleaning for the screens, as it was inordinately expensive. Mr. Ernest-Jones indicated there will be generator presentations at the next meeting. He will also be prepared to present the final GMP, at the next meeting. Mr. Ernest-Jones discussed some additional value decisions that were made, regarding the project.

Mr. Donahue noted a bank erosion issue, east of Woodside and south of NW 24th Court, was identified by a CSID employee, who referred it to the District. Mr. Selchan indicated the erosion must have occurred recently and explained what might have happened in the bank area. Mr. Selchan described a method of stabilizing the bank area and acknowledged other approaches would likely incur substantial costs. Mr. Selchan indicated access to this area will be difficult as an area of access is nearly nonexistent and the canal is extremely deep. Mr. Selchan suggested soliciting contractors to review the area to see if anyone is willing to take the job. Regarding the condition of the area, Mr. Selchan reported that the condo building is not currently jeopardized, as it is about 20 feet away; however, the concrete slab is cracking and the fence is leaning. Mr. Hulett directed Mr. Selchan to proceed with contacting contractors and having the area reviewed. Mr. Ernest-Jones indicated he will research it. He feels the only solution is to pile rock against it. Discussion ensued regarding the size of the area to be restored, causes of the erosion and possible repair methods. Mr. Selchan clarified that, while the term erosion is being used, this problem appears to be a collapse, not erosion, which implies it was caused by a water event. Mr. Ernest-Jones suggested having a diver review the underwater area to determine possible causes.

c. Field Supervisor

Mr. Selchan reported that the canals are low because it has not rained.

d. Manager

i. Unaudited Financial Statements as of December 31, 2010

Mr. Wrathell indicated the District's audit will be completed by the next meeting and he is hopeful the auditor can attend and present it. Mr. Wrathell referred to the State Board of Administration portion of the unreconciled cash and investment balances data distributed to the Board. He noted that, as of September 30th, one of the components of the B fund, had an unrealized loss that was higher than the most recent statement received, which works to the District's advantage.

Mr. Wrathell presented the Unaudited Financial Statements as of December 31, 2010. He noted, on Page 2, collections are at about 79% of the amount budgeted, through December 31st, which is good.

On MOTION by Mr. Morera and seconded by Mr. Hulett, with all in favor, the Unaudited Financial Statements as of December 31, 2010, were approved.

- ii. **Check Register, December 2010**
- iii. **Invoices, December 2010**
- iv. **NEXT MEETING DATE: March 9, 2011, *immediately following landowners' meeting at 6:30 P.M.***

Mr. Wrathell reminded the Board that the landowners' meeting will be next month and the regular meeting will commence, immediately following.

Mr. Morera referred to unpaid toll violations listed on the December 2010 check register. Mr. Selchan indicated those items are his and explained the turnpike authority previously allowed state vehicles to travel the state highways for free but changed that privilege. Now, only emergency vehicles are free of charge. Mr. Selchan indicated he used to use the Sawgrass Expressway traveling to the District Manager's office but is now using an alternate route. The Board agreed to allow Mr. Selchan to obtain a SunPass, in the District's name, and charge the tolls on the District's credit card.

FOURTEENTH ORDER OF BUSINESS Adjournment

There being no further business, the meeting adjourned at 9:55 p.m.



Secretary/Assistant Secretary



President/Vice President