

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

A Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, November 17, 2010 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
Matthew Kozak	Wrathell, Hunt & Associates
Bill Capko	District Counsel
Cory Selchan	Field Superintendent
Tom Donahue	District Engineer
John McKune	McKune & Associates
Bruno Colbacchini	Greenacre Apartments, LLC

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

Mr. Bruno Colbacchini, a resident, referred to the notice sent to the residents regarding the public hearing and expressed his concern over the reference to the District possibly taking property. He indicated he visited the District Office and Mr. Kozak assured him that was not the case. Mr. Colbacchini also requested that the canals be cleaned up and commented that the canal behind city hall is very low and is covered with growth. Mr. Hulett stated the crews are out every day cleaning the canal banks and picking up trash. He explained that these are drainage canals so there is no guarantee that there will be water at any given time; it will vary depending

upon the amount of rainfall. Mr. Hulett advised Mr. Colbacchini that Mr. Selchan would be happy to meet with him to discuss his concerns.

Mr. Colbacchini indicated he missed the public hearing and was attending the Board Meeting to find out which canals they will be working on. Mr. Hulett gave a brief synopsis of the work to be done as part of the capital improvement plan and indicated their concerns regarding drainage if a 100-year storm event were to occur.

THIRD ORDER OF BUSINESS**Discussion: Investment Banker**

Mr. Wrathell reiterated that the Board authorized Staff to invite three (3) or four (4) firms to give presentations and referred to the form of advertisement, located behind Tab 3. He explained the time constraints involved in placing an ad, providing adequate turnaround time for the interested firms to submit their qualifications, having Mr. Capko shortlist the firms and meeting the deadline for the close of the agenda for the December 8th meeting. Ms. Heafy indicated her preference to try for a December 8th presentation.

Mr. Wrathell explained the modification to be made to the form of advertisement and indicated that it could be provided to the newspaper the following day. He suggested the advertisement be emailed to the firms they are respectively familiar with, in order to provide them with an opportunity to submit a good quality response. Mr. Morera indicated he does not feel it is appropriate to give advance notice to any of the firms. Mr. Wrathell expressed his concern about the time constraints that will be placed on all respondents by pushing the process to December 8th. He explained that each interested respondent will receive a package that will include the updated drainage plan, engineer's report, methodology and preliminary S&P rating. They will have an opportunity to read through this information and put together a response. Mr. Morera inquired as to what the Board should look for in the proposals. Mr. Wrathell indicated they should look for the projected underwriter's discount, the projected interest rate and the original issue discount. Another major consideration is whether the firm has done special assessment deals for districts.

Mr. Hulett indicated he had hoped the advertisement would have gone out shortly after the October meeting. He asked when Weitz will be given the go-ahead for the pump stations. Mr. Wrathell stated it would be unwise to make a firm commitment until the bonds have been issued. Mr. Donahue advised that they anticipate the bonds being closed on or about April 15th

and, based on that, a notice to proceed to start construction could be issued on May 1st. He clarified that they will settle on the Guaranteed Maximum Price (GMP) 90 days prior to construction, which would be some time in February.

Mr. Wrathell indicated there are three (3) firms that he and Mr. Capko would recommend. Mr. Hulett suggested that they call the Coral Springs City Manager to obtain names of investment banking firms. He also suggested that the three (3) firms identified by District Counsel and the District Manager be invited to give presentations at the December 8th meeting.

Mr. Capko reiterated there is no requirement to go through any other process. He stated bringing the firms in at next month's meeting may give them the ability to move up the timing of issuing the bonds. Mr. Wrathell noted there was some cushion built into the April 15th timeline and Mr. Capko's opinion is they do not need to validate in circuit court. Assuming the investment banking firms agree, they should be able to issue bonds before April 15th.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, authorizing Staff and District Counsel to identify three (3) or more qualified investment bankers and invite them to present at the December 8th Board Meeting, was approved.

Mr. Capko stated it is frowned upon in the municipal finance industry to have general counsel for an issuer serve as bond counsel, with respect to giving the tax opinion on the issuance of the bonds. He advised that he and Mr. Lewis are familiar with a number of good bond counsel firms and offered to contact them to obtain their fees, with the understanding that they will have a limited role, given that he and Mr. Lewis will be doing a large part of the work. He indicated he will provide a recommendation to the Board at the December 8th meeting.

FOURTH ORDER OF BUSINESS

Update from Supervisor Morera Regarding FASD Conference

Mr. Morera reported that the Florida Association of Special Districts (FASD) offers a Certified District Official (CDO) program, which requires 32 hours of class attendance, on multiple subjects, in order to become a District official.

Mr. Morera also reported on the presentation given by the director of the Palm Beach County Public Affairs Department on how to utilize the media to communicate their message to

the citizens in their District. It was suggested that they visit the schools to emphasize the impact that the debris in the canals has on the District, to meet with HOA groups within the District and to get the press involved in order to communicate to the residents what the District is doing. He also learned about the GASB 45 and asked Mr. Wrathell to expound on this topic. Mr. Morera referred to Page 11 and noted that the District is required to offer the right to receive medical benefits to District retirees, at the same rates. Mr. Wrathell stated his understanding is that the retired employee has the option to continue to participate in the insurance program but he is not certain whether the rate remains the same. Mr. Hulett asked that this be brought back at the next meeting. Mr. Wrathell indicated that the District does not have a pension plan; they have a 401A, which is treated differently.

Mr. Morera also commented on the presentation given by Mr. Lewis and Mr. Lyon and concluded by saying, overall, attending the conference was worthwhile and he encouraged the other Board Members to attend the next meeting.

Mr. Wrathell referred to Page 6 of the GASB 45, noting the big concern is the pension plans that are under-funded and have defined benefit, as well as the exposure if a pension plan has lost money and how their obligations will be covered once an employee retires. He advised the Board, because of their program choice under ICMA, their issue with defined contribution mixes that concern. Mr. Hulett asked Mr. Capko to have the pension expert in his firm review GASB 45 and how it affects the District.

FIFTH ORDER OF BUSINESS**Update: FEMA Funding for Disaster Damages Resulting from Hurricane Frances**

Mr. Paton reported, since the last meeting, Mr. Lewis made some revisions to the draft appeal letter to FEMA. He noted the fourth paragraph needs to be rephrased. He explained that no contracts were found in the archives and Mr. Selchan pointed out to him that there were no contracts; time and materials agreements were made with the three (3) contractors. The debris had to be cleaned up immediately because Hurricane Frances had hit and there were several other storms brewing. Mr. Paton indicated he does not know for sure if the FEMA representative, who was on-site at the time, was aware that they were not going to bid out the contracts; that only time and materials estimates were to be obtained from the three (3) specific firms so they could begin work on the canal cleanup. He stated once the change to paragraph

four (4) is made, the appeal will be filed with FEMA, through their website. He confirmed that the deadline for filing the appeal is the end of November. Mr. Hulett asked if the appeal would be more powerful if it were signed by Mr. Lewis, rather than by Mr. Wrathell. Mr. Capko indicated he would discuss it with Mr. Lewis in the morning but felt it was fine, as is. He stated Mr. Lewis also advised that he would like to review the substitute language provided by Mr. Paton and the appeal will go out tomorrow.

Mr. Paton indicated the letter will be mailed directly to Mr. Halstead via certified mail and representatives Ari Porth and Jeremy Ring will be copied, as Mr. Hulett requested. He stated the appeal must also be filed on FEMA’s website; the Florida PA website.

Mr. Hulett inquired about the District’s recourse if they are turned down. Mr. Capko indicated there is likely to be some potential for an appeal through the courts. Mr. Hulett asked if it would be appropriate to request a meeting with Mr. Porth to explain what is going on. Mr. Paton stated Mr. Porth will be copied on the appeal letter and should receive it shortly and he would follow up with him. Mr. Hulett requested that Mr. Porth receive the original letter from FEMA, along with a cover letter indicating the District’s concern and that any assistance he could provide would be appreciated. The same information will be sent to Mr. Ring.

Discussion returned to GASB 45 and Mr. Wrathell stated the District does not offer post retirement benefits, such as retiree health coverage, dental, or life insurance. He indicated there are new requirements, if they are offered.

SIXTH ORDER OF BUSINESS

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

- ***Permit Application Review*** – Mullins Park Passive Parking – City of Coral Springs

Mr. Donahue reported that one (1) permit application was submitted by Chen and Associates, the engineers on behalf of the City of Coral Springs Parks and Recreation Department, for improvements at Mullins Park. In particular, this is the former BMX area immediately south of the public safety complex. He stated the city is proposing to pave vehicular access along the south and east of the former BMX site and the majority of the rest of the site will be sodded and landscaped, to allow for overflow parking. He indicated they are adding just under ½ acre of pavement and, to mitigate that, they are providing six (6) small dry retention areas to handle the stormwater collection and infiltration. Mr. Donahue recommended

that the Board issue a right-of-way permit to the applicant, with the special conditions as outlined in their letter, including that all work be done in compliance with the Sunshine Permit Criteria Manual. He stated REJ/IBI recommended that the trash bond be waived and that the property owner submit a stormwater inspection report on his facility every five (5) years.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the permit application for Mullins Park Passive Parking was approved.

• **PERMIT/APPLICATION LOG**

Mr. Donahue referred to a previous application for the Burger King site, which was reviewed and sent back to them and indicated he has not heard from them since. With regard to Permit 2009-3, for the Coral Springs Medical Center Emergency Department expansion, the project was completed, the as-built plans were provided, a final inspection was conducted and the recommendation was made to release the trash bond.

SEVENTH ORDER OF BUSINESS

Approval of Minutes of October 13, 2010 Regular Meeting

Mr. Hulett presented the October 13, 2010 Regular Meeting Minutes for the Board’s approval and asked for any additions, corrections or deletions.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the October 13, 2010 Regular Meeting Minutes, as presented, were approved.

EIGHTH ORDER OF BUSINESS

Supervisors’ Requests

Mr. Morera commented on the recent city elections and indicated that the citizens will benefit by the newly elected officials. He also stated the new city manager will be a great asset and help the District to continue the good working relationship the Board has established with the city. Mr. Hulett agreed.

NINTH ORDER OF BUSINESS

Staff Reports

a. Attorney

There being no report, the next item followed.

b. Engineer

i. Monthly Engineer's Report – 10/05/10 to 11/09/10

Mr. Donahue reported that they have had some pre-application meetings with Coral Springs on their fire station in the Corporate Park. He noted they have met with the city's engineer to coordinate some drainage issues on the site; the plans were reviewed and some suggestions were provided. The city is expected to submit a permit application in the near future. He reiterated that Burger King has not resubmitted for their application and the permit for the Coral Springs Medical Center was closed out.

REJ/IBI received a request for a Letter of No Objection on a fence at 11291 N.W. 43rd Street, which was reviewed and passed along to Mr. Selchan, for his review. A Letter of No Objection was issued. Mr. Donahue indicated another request for a fence, in the District, was received yesterday. He stated any time a fence is immediately adjacent to one of the canals or a drainage easement, the city requires the applicant to submit it to REJ/IBI for review.

With regard to the East-West Basin Interconnect, Mr. Donahue reported that a meeting was held on November 15th with Mr. Michaud, Mr. Eckler and two (2) representatives from the Utilities Department, to discuss their preliminary analysis as it relates to the city. They now have a general consensus on the preferred location for the Interconnect. He stated they are finalizing the construction costs and the putting together some further engineering on-site and they anticipate having the draft report recommendations and design to the Board for the January meeting. He advised the city favored location #2. Mr. Hulett inquired about the funding and how it will be utilized. Mr. Donahue indicated this will be included in the report. He noted that Mr. Michaud indicated he clearly understands that a large part of the obligation belongs to the city.

Mr. Morera brought up a conversation regarding a grant that the city was obtaining for projects that will benefit the city as a whole. Mr. Hulett stated it was called a Recovery Zone Bond Resolution and they were talking about a 2.3% interest rate and being able to use the money on various city capital improvement projects. He read a brief explanation of the bond resolution and indicated that he called the city manager to inquire about it. Mr. Wrathell stated the District may be able to work a deal, as a governmental entity, whereby the city would finance a program of mutual benefit and the District would repay part of the debt.

Mr. Morera stated the city is going to implement red light camera enforcement and he asked if the District has any type of policy relating to traffic violations for District employees. Mr. Selchan recollected two (2) citations that were issued to sister districts and the tickets were actually issued to the employee. He stated the District would only be issued a ticket for equipment malfunction. Mr. Selchan advised that an employee would be issued a verbal warning by him and told that traffic violations are against protocol and any future occurrences, within one (1) year, may result in suspension or termination. He indicated a good driving record is a requirement for driving a District vehicle.

Mr. Morera inquired about an ethics rule implementation recently passed by Broward County and asked if the District is part of the umbrella and what impact it will have. Mr. Wrathell stated they already have the state level of oversight and he feels it is duplicative of what is already in place. Further discussion ensued.

Mr. Donahue stated REJ/IBI is working with WHA, Mr. Selchan and Mr. McKune to develop a recommended plan for right-of-way clearing. He reported on two (2) meetings held recently with Mr. O'Quinn, Superintendent of Old Plantation Water Control District and Mr. Crone, District Manager of the Lake Worth Drainage District; he discussed some of the procedures used by these Districts and their recommendations. He indicated the District needs to have clear policies outlined so that they are easier to enforce. He noted that further specifics will be discussed at the January meeting.

Mr. Donahue gave an update on Pump Stations 1 and 2 and discussed Mr. Dodge's update to his initial findings regarding The Clusters. He indicated they are still working on getting bids for Coral Springs Corporate Park and determining the sharing of costs among the property owners. He then noted that the Environmental Protection Agency (EPA) has proposed its criteria for all of Florida, except for the South Florida canals and the indication for the rest of the state is that they remain very restrictive and this could have a major impact on municipalities and districts. Mr. Donahue also advised that on October 28th, REJ/IBI submitted the Amended Water Control Plan, including the Engineer's Report and the Five (5)-Year Capital Improvement Plan.

c. Field Supervisor

Mr. Hulett stated Mr. Colbacchini feels there is a large contrast between the plant growth in Sunshine's canals and those in CSID. Mr. Selchan spoke to some of Mr. Colbacchini's

concerns and explained that the canals were formerly drainage ditches and the shallower the water is, the more aquatics there are because they receive more sunlight and grow faster. He indicated in order to resolve most of Mr. Colbacchini's concerns, the canals would have to be dug out. The Board asked if some of the growth can be physically removed. Mr. Selchan explained what this would entail and estimated the cost to be between \$5,000 and \$10,000. Mr. Hulett requested that pictures be taken of the drainage ditches where two (2) complaints originated.

d. Manager

i. Unaudited Financial Statements as of September 30, 2010

Mr. Wrathell presented the Unaudited Financial Statements as of September 30, 2010 for the Board's approval. He briefly discussed the unreconciled cash through November 17th, which was distributed earlier. Mr. Wrathell referred to the late collection noted on Page 2 of the Unaudited Financial Statements and stated this is indicative of some tax certificate issues. He also advised they are still approximately \$8,000 under budget and he will have Mr. Kozak contact the Broward County Tax Collector to find out which properties may not have had tax certificates bid on and report back at the next meeting.

Mr. Hulett noted they came in considerably under budget, even though the legal fees were higher than originally anticipated.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the Unaudited Financial Statements as of September 30, 2010, were approved.

ii. Check Register, September 2010

iii. Invoices, September 2010

Mr. Hulett requested that the invoices be sorted by vendor to match the check detail.

iv. NEXT MEETING DATE: December 8, 2010 at 6:30 p.m.

TENTH ORDER OF BUSINESS

Adjournment

There being no additional business, the meeting adjourned at 8:28 p.m.


Secretary/Assistant Secretary


President/Vice President