

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

A Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, April 14, 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	Client Services Manager
Matt Kozak	Wrathell, Hunt & Associates
Darren Leisner	District Counsel
Cory Selchan	Field Superintendent
Rhon Ernest-Jones	District Engineer
Tom Donahue	District Engineer
John McKune	McKune & Associates
Michelle Blackstock (via telephone)	Grau & Associates

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Hulett called the meeting to order at approximately 6:32 p.m. Mr. Wrathell called the roll, noting, for the record, that Supervisors Hulett, Heafy and Morera were present.

SECOND ORDER OF BUSINESS

**Presentation of Audited Financial Report
for Fiscal Year Ended September 30,
2009, Prepared by Grau & Associates**

Mr. Wrathell introduced Ms. Michelle Blackstock, of Grau & Associates. Ms. Blackstock reviewed the audit, highlighting the Independent Auditor's Report and noting it is an unqualified opinion, meaning, it is a clean opinion with no problems. She referred to Page 8, indicating the total assets for the District, for the year ending September 30, 2009, were \$2.8 million, total liabilities were \$224,000, leaving a total fund balance of approximately \$2.6 million. She

directed the Board to Page 10, reflecting the actual change in the fund balance from the prior year. She indicated the total revenues, for the year, were \$2.3 million, total expenditures of approximately \$2.6 million and there was a deficiency of the revenues over/under expenditures of \$300,000. She noted other revenues, leaving a net change in the fund balance of approximately - \$236,000. Ms. Blackstock referred to the report on Page 22, noting it also reflects a clean opinion, with nothing to bring to the Board's attention. She referred to the Management Letter on Page 24 and the Report to Management on Page 25, explaining there were no issues in the current year and it is also a clean report.

Mr. Wrathell explained the District spent years building up reserves and is now using those funds.

*****Ms. Blackstock left the meeting.*****

THIRD ORDER OF BUSINESS

**Consideration of Resolution 2010-11,
Accepting the Audited Financial Report
for the Fiscal Year Ended September 30,
2009**

Mr. Hulett presented Resolution 2010-11 for consideration.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, Resolution 2010-11, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2009, was adopted.

▪ **Manager's Report**

*****This item, previously Item 13d., was discussed out of order.*****

Mr. Wrathell distributed a list of the held funds, just released by the State Board of Administration, and explained the amounts and timeline of when the funds might be received.

Mr. Wrathell recalled previous discussion about investing additional funds in the District's NOW account with Community Bank of Broward and distributed memos and an information sheet regarding this matter. He explained that, with the FDIC's temporary program - the Transaction Guarantee Program, the District can now invest beyond the \$250,000 FDIC limit in the NOW account and have FDIC protection. Mr. Hulett indicated he spoke to a Community

Bank of Broward representative who indicated the program was extended, by the FDIC, until December 31, 2010.

Mr. Wrathell distributed copies of the District’s unreconciled cash balances and explained the information. He indicated the revised AmTrust amortization schedule will be included in the next financial statements.

FOURTH ORDER OF BUSINESS

**Discussion/Presentation:
Encroachment**

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****This item, previously the Sixth Order of Business, was discussed out of order.****

Mr. Wrathell discussed the District Engineer’s letter to the City of Coral Springs regarding right-of-way occupation and maintenance and noted the city’s response was not as committal as the District had hoped. Mr. Wrathell indicated he will draft a letter and asked for the Board’s approval to have it reviewed by Mr. Hulett, District Counsel, the District Engineer, Mr. McKune and Mr. Selchan. He indicated the hope is to schedule a meeting with the city to shore up a commitment from the city to assist in successfully completing the program.

Mr. Hulett recapped the current situation and noted it is time to meet with the city and have them become involved in assisting the District in regaining rightful access to its right-of-ways.

Discussion continued regarding the right-of-way issue, contacting the city, infrastructure and etc. Mr. Ernest-Jones felt a letter from Mr. Wrathell, District Manager, to the City of Coral Springs’ City Manager would be the appropriate course of action.

Mr. Wrathell will work with Mr. Morera on this matter, rather than Mr. Hulett.

▪ **Unaudited Financial Statements as of February 28, 2010**

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

Discussion ensued regarding the Unaudited Financial Statements as of February 28, 2010. Mr. Hulett asked if the District’s money market mutual funds with Evergreen, Federated and Fidelity are all treasury accounts and if it makes sense to move them, as well. Mr. Wrathell replied affirmatively and asked for the Board’s approval to do so.

Ms. Heafy asked about the Wachovia account. Mr. Wrathell indicated the funds were already moved but the account remains open, as there is one (1) check still pending. Once the check clears, the closure of the account can be completed.

Mr. Wrathell explained the status of assessment collections.

Mr. Morera pointed out the District’s budget for legal expenses is \$25,000 and noted that, at only six (6) months into the fiscal year, 70% of that budget has been expended. Mr. Wrathell explained District Counsel worked on several items that were out of scope of the original budgeted amount. Mr. Wrathell felt, going forward, the District’s legal expenses will be higher than what the District budgeted, in the past.

Mr. Morera asked about paying down the SunTrust loan. Mr. Wrathell advised that the District has immediate capital needs, so having cash is important. Mr. Wrathell indicated, when the bonds are issued next year, they will likely have a higher interest rate than the loan. For this reason, it is better to apply the cash to reducing the number of bonds to be issued, resulting in interest savings. Mr. Wrathell further explained the benefits of not paying down the loan.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the Unaudited Financial Statements as of February 28, 2010, as presented, were approved.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, directing Management to move the District’s CDARS and Money Market funds into the Community Bank of Broward NOW account was approved.

****Mr. Wrathell and Mr. Kozak left the meeting.****

FIFTH ORDER OF BUSINESS

Culvert Cleaning Bid

****This item, previously the Fourth Order of Business, was discussed out of order.****

- **Affidavit of Publication – Invitation to Bid**
- **Acceptance of Bid Results**

Mr. Ernest-Jones briefly discussed the outcome of the bids for the Culvert Cleaning Project, noting all bids were below the District Engineer’s estimated costs for the work. He indicated the low bidder, Fish Tech, Inc., has a proven record and has the endorsement of Mr. McKune and Mr. Selchan.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the bid results were accepted.

Mr. Morera voiced his surprise in the difference in the bid amounts between the bidding companies. Mr. Ernest-Jones indicated it is an awkward process, for which Fish Tec, Inc., has specialized equipment, and voiced his confidence in Fish Tec, Inc.

Mr. Selchan indicated the bid from Fish Tec, Inc., was well below the others, the last time culvert cleaning was bid. He felt their work was excellent and quick. He thought this type of work is all they do and that is how they are able to bid so low.

The work is scheduled to begin in July or August.

Discussion continued regarding culvert repairs, cleaning, flooding issues, additional work and locations.

- **Consideration of Agreement for Culvert Cleaning between SWCD and Fish Tec, Inc.**

Mr. Morera asked that the Fish Tec, Inc., agreement include an E-Verify clause.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, award of the Culvert Cleaning contract to Fish Tec, Inc., and acceptance of the Agreement between the District and Fish Tec, Inc., subject to the addition of an E-Verify clause, were approved.

SIXTH ORDER OF BUSINESS

Approval of Broward County IWRP Grant Interlocal Agreement

******This item, previously the Fifth Order of Business, was discussed out of order.******

Mr. Ernest-Jones explained the District received approval from Broward County of the \$20,000 grant requested. He indicated this is the county's contribution towards studying the feasibility of an interconnect between the east and west basins.

Mr. Ernest-Jones indicated his firm proposes a \$60,000 design fee, after the county's \$20,000 contribution, the remaining \$40,000 is split, with the District's portion being \$13,333. Mr. Ernest-Jones indicated the proposal is written to the District, with the District collecting \$20,000 from Broward County and \$26,667 from the City of Coral Springs. He indicated the breakdown is outlined on Page 19.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, the Interlocal Agreement between the District and Broward County, was approved.

Mr. Ernest-Jones indicated that Mr. Richard Michaud, with the City of Coral Springs, has the Interlocal Agreement between the city and the District ready to be processed, pending approval by the District and completion of the two (2)-party agreement between the District and Broward County.

- **Approval of Rhon Ernest-Jones/IBI Group Proposal Relating to the East West Basin Interconnect Grant**

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, the Rhon Ernest-Jones/IBI Group Proposal Relating to the East West Basin Interconnect Grant, in the amount of \$60,000, was approved.

Discussion returned to the right-of-way encroachment issue, with Mr. Ernest-Jones recommending the meeting with the City of Coral Springs be formal, in nature, including recording and keeping minutes. Mr. Ernest-Jones suggested bringing a draft letter that the District intends to send to residents to this meeting.

Mr. Donahue spoke of the approach to the right-of-way encroachment, culvert cleaning and repair and canal restoration projects. Mr. Selchan discussed encroachment and accessibility concerns. Discussion ensued regarding removal of items in the District's right-of-way.

Mr. Donahue discussed the area and encroachments, speaking of Phase 2 of the Canal Project. They looked at about seven and a half (7.5) miles of canals, equaling 15 miles of canal banks. Mr. Donahue indicated they identified 33 acres of land to be cleared of vegetation, including over 1,000 identifiable trees. He indicated the cost is \$1.2 million, for this area; \$160,000 per canal mile. He noted, multiplying that figure for the District's 22 miles of canals totals \$3.5 million to clear the canal banks.

Mr. Morera voiced his concern that removing more than 1,000 trees could be an issue with the city. Mr. Morera referred to the city's letter regarding the 25-foot right-of-way and the suggestion of a second opinion from previous contractors. Mr. Ernest-Jones indicated a second opinion was obtained from another contractor. It was noted that the city should not take issue

with nuisance trees they already want to remove. Mr. Hulett felt part of the meeting should include telling the city the District's plans for ongoing communication with property owners, continued education and etc. Mr. Hulett stressed the importance of working with the city and keeping an eye to the fact that environmental issues are high priority to Mr. Ron Gold, who may be elected mayor in November, and extensive tree removal could be an issue, if not well planned.

Mr. Ernest-Jones felt, while working with the city is important, the District should remain firm and consistent on its stance for a 25-foot right-of-way.

Mr. Morera wondered if it would be beneficial to hold a workshop to clearly define the issues and to develop a consensus on addressing the key issues, within each category. Mr. Ernest-Jones felt a workshop would be beneficial. Discussion ensued regarding whether a workshop should be between the District and city staff or if property owners should be included. Mr. Morera clarified he desired a workshop with the Board and Staff, including the city later.

Ms. Heafy stated her support for doing what is necessary to take back all of the District's right-of-ways.

Mr. Morera noted, while Mr. Michaud's letter does not contain supportive language clearly stating the city's position regarding enforcement, the city's codes regarding the canal banks are clear.

Mr. McKune suggested the Board allow him to approach NRCS and use Mr. Ernest-Jones' presentation information to attempt to obtain funding for removal of good, undamaged trees, in the canal areas.

Relating to the city's letter and statement that the city has no jurisdiction, District Counsel was asked to review further the city's responsibilities regarding the canal banks.

SEVENTH ORDER OF BUSINESS

**South Florida Water Management
District Water Use Permit No. Re-Issue
06-01174-W**

Mr. Ernest-Jones explained the permit and indicated it expires March 22, 2030. He noted there were a few additions, such as requiring monitoring.

Mr. Hulett noted, in several locations, the permit has "Cotrol", rather than "Control", and recommended correcting the misspelling, along with updating the address to reflect the District's mailing address. Mr. Ernest-Jones will request a revised permit, with these changes.

Mr. Donahue discussed the necessary monitoring and is looking into temporary and permanent approaches to meet the requirement.

EIGHTH ORDER OF BUSINESS

Discussion: Changing Date of Budget Adoption in Accordance with Broward County’s 2010 Certification and Budget Timetable

Mr. Paton explained the need to schedule the budget adoption within Broward County’s timetable and recommended scheduling it for September 15, 2010, in order to meet the 20-day notification requirement, so the District does not have to mail first class notices, individually. The Board was in agreement with rescheduling the budget adoption public hearing to September 15, 2010.

NINTH ORDER OF BUSINESS

Consideration/Discussion of Permits/Applications

- **Greg Eickwort, 4240 NW 95th Avenue, Installment of Chain Link Fence Across 7.5-foot SWCD Drainage Easement**

Mr. Ernest-Jones recommended approval of this permit application, subject to the conditions outlined in his recommendation letter. He noted, due to the minor nature of the work, the \$2,500 trash bond and stormwater inspection report requirements can be waived. Mr. Donahue stated he spoke to the applicant and he is aware that, should access be necessary, he is responsible for removal and replacement of the fence.

Ms. Heafy noted the District is in the process of trying to keep people from putting things in the easement but is now considering issuing a permit allowing a fence to be installed in the easement. Mr. Ernest-Jones acknowledged Ms. Heafy’s point. It was noted this is technically an easement issue and the property is owned by the applicant. Mr. Morera agreed this seems contradictory but felt the applicant understands and seems willing to be cooperative.

<p>On MOTION by Mr. Morera and seconded by Ms. Heafy, with Mr. Hulett and Mr. Morera in favor and Ms. Heafy opposed, issuance of a permit to Greg Eickwort, 4240 NW 95th Avenue, for Installment of a Chain Link Fence Across 7.5-foot SWCD Drainage Easement, was approved. (Motion passed 2-1)</p>
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- **PERMIT/APPLICATION LOG**

Mr. Ernest-Jones presented the Permit/Application Log.

TENTH ORDER OF BUSINESS

Approval of Minutes

- **March 10, 2010 Landowners' Meeting**
- **March 10, 2010 Regular Meeting**

Mr. Hulett presented the March 10, 2010 Landowners' Meeting and Regular Meeting Minutes and asked if there were any additions, corrections or deletions.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the March 10, 2010 Landowners' Meeting and Regular Meeting Minutes, as presented, were approved.

ELEVENTH ORDER OF BUSINESS

Citizens' Requests

There being no Citizens' Requests, the next order of business followed.

TWELFTH ORDER OF BUSINESS

Supervisors' Requests

Mr. Hulett notified the Board that he applied for Seat 5 on the Coral Springs City Commission. He indicated District Counsel and the Coral Springs City Attorney both confirmed he is eligible to continue serving on the Sunshine Water Control District's Board, should he be appointed to the commission seat.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Leisner had nothing to report.

Mr. Hulett asked if District Counsel reviewed and had an opinion on the Corporate Park of Coral Springs easement issue and the City of Coral Springs' Attorney's opinion regarding jurisdiction and the swales. Mr. Leisner indicated he referred the matter to Mr. Lewis and Mr. Capko and did not hear back. Mr. Hulett asked Mr. Leisner to be prepared with this information next month.

b. Engineer**i. Monthly Engineer's Report – 03/01/10 to 04/05/10**

Mr. Ernest-Jones indicated there is another permit application in progress and he is in contact with the project's engineer. He noted Pump Stations 1 & 2 are moving along with the Construction Manager at Risk. Mr. Donahue indicated 75% of the plans will be completed by the end of April and an estimate may be available by the May meeting. Mr. Ernest-Jones indicated he is under contract with Coral Springs CRA for a culvert extension project and will provide the plans to Mr. McKune, for review, on behalf of the District.

Mr. Morera asked who is responsible for maintaining the swales in the Corporate Park. Mr. Ernest-Jones indicated he forwarded correspondence to Mr. Goren and District Counsel will also offer an opinion. He reminded the Board that the city's legal counsel was of the opinion that it is the responsibility of the individual property owners.

Mr. Ernest-Jones indicated monitoring continues on the FEMA 2010 Pre-Disaster Mitigation Program and the FASD/EPA Numeric Water Quality Criteria for Nutrients matters.

c. Field Supervisor

Mr. Selchan stated over 13 inches of rain was received during the last 30 days, which is abnormal for this time of year. As a result, pumping was necessary in the west basin. Both basins are currently above their normal stage of 7.5; each are slightly above 8.2.

Mr. Hulett noted cleanup is necessary at the canal near Sample Road and Riverside Drive. Mr. Selchan indicated staff is working on complaints; they will be cleaning the canals.

d. Manager**i. Unaudited Financial Statements as of February 28, 2010**

This item was addressed during the Fourth Order of Business.

ii. Revised Estimated Capital Projects

Mr. Donahue reviewed the Revised Estimated Capital Projects spreadsheet, indicating this allowed the District to move forward with the culvert cleaning and one (1) culvert replacement, within the existing budget.

Mr. Morera indicated that Mr. Charles Wendling should be listed as an employee, on the monthly Check Detail.

iii. NEXT MEETING DATE: May 12, 2010 at 6:30 P.M.

Mr. Hulett indicated the next meeting is scheduled for May 12, 2010.

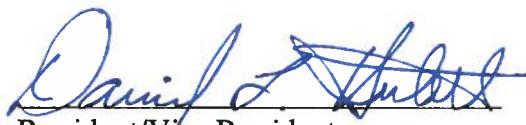
Mr. Hulett indicated the next meeting is scheduled for May 12, 2010.

FOURTEENTH ORDER OF BUSINESS Adjournment

There being no additional business, the meeting adjourned at 9:22 p.m.

A handwritten signature in blue ink, consisting of a large, stylized loop followed by a smaller loop and a trailing flourish.

Secretary/Assistant Secretary

A handwritten signature in blue ink, appearing to read 'Daniel J. [unclear]' with a large, sweeping flourish at the end.

President/Vice President