

**MINUTES OF MEETING  
SUNSHINE WATER CONTROL DISTRICT**

A Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, June 12, 2013, at 6:30 p.m.**, at the **LaQuinta Inn, Coral Springs, 3701 N. University Drive, Coral Springs, Florida 33065.**

**Present at the meeting were:**

Joe Morera	President
Emily Heafy	Vice President
Daniel Prudhomme	Secretary

**Also present were:**

Craig Wrathell	District Manager
Doug Paton	Wrathell, Hunt and Associates, LLC
Howard McGaffney	Wrathell, Hunt and Associates, LLC
Bill Capko	District Counsel
Tom Donahue	District Engineer
Rhon Ernest-Jones	District Engineer
Cory Selchan	Field Superintendent
John McKune	McKune & Associates
Dennis Mele	GreenspoonMarder
David Harris	Harris Engineering
Gary Runge	SWCD Resident
Andy Mosbey	Resident
Mike Saltzman	CSID Resident
Jim Endres	MWI
Jon Tori	The Weitz Company

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Morera called the meeting to order at approximately 6:36 p.m.

Mr. Wrathell noted, for the record, that all Supervisors were present, in person.

**SECOND ORDER OF BUSINESS**

**Presentation: Aflac for Business, *Raquel Garcia-Holland***

Mr. Morera introduced Ms. Raquel Garcia-Holland, of Aflac for Business (Aflac), and indicated that the same program was offered to the Coral Springs Improvement District (CSID)

employees. The voluntary Aflac program offers employees an additional layer of protection, while costing the District nothing.

Ms. Garcia-Holland advised that the City of Coral Springs also offers the Aflac program to its employees. She indicated that Aflac is supplemental to an employee's regular health benefits and reiterated that it costs the District nothing. Ms. Garcia-Holland explained that the Aflac program can actually save the District money because, whenever an employee is in the program, the District no longer pays payroll taxes on the plan amount that is deducted from the employee's pay. She discussed the benefit of the Aflac program, which immediately pays cash benefits to the employee, in the event of illness, injury or accident.

Ms. Garcia-Holland reviewed a sample tax statement and stated that employees can receive a group discount of approximately 40% of what the cost would be if they obtained Aflac coverage, as an individual. She advised that the cost of the program is on a pre-tax basis; the employee saves paying taxes on that amount. Ms. Garcia-Holland reviewed the four (4) main plans available to employees and the rates.

Ms. Garcia-Holland indicated that, if the District decides to offer Aflac to its employees, she will give a presentation and provide employees with information. She stated that payment is through a payroll deduction, before taxes. Ms. Garcia-Holland noted that most of the Aflac programs start at \$4 per week. All claims are usually paid within 45 days.

Mr. Morera asked if all employees must participate. Ms. Garcia-Holland advised that at least three (3) must participate in order to receive the group rate.

Mr. Morera suggested that Ms. Garcia-Holland coordinate with Mr. Selchan to schedule an employee presentation.

▪ **Discussion: CPP Condominium Association, Inc., Request to Contribute Water Storage "Credit" to Offset Surface Water Area Deficiency**

*\*\*\*This item, previously Item 7, was presented out of order.\*\*\**

Mr. Dennis Mele, of GreenspoonMarder, representing CPP Condominium Association, Inc. (CCP), referred to his letter to the District and summarized that the CCP units were built by Mr. Aftab Cumber and received its certificate of occupancy (CO), from the City of Coral Springs, in 2003. After receiving the CO, the business owners purchased their units, from 2003 through 2005 and, once a certain percentage of occupancy was achieved, the association was turned over to the owners. The business owners were unaware of any drainage requirements, at the time they purchased their units. In 2010 a notice of violation (NOV) was issued to Mr.

Cumber's company by the South Florida Water Management District (SFWMD). Eventually, a copy of the NOV was sent to CPP. Shortly thereafter, CPP received a request from SFWMD to convert the construction permit to an operations permit. Mr. Mele explained that SFWMD issues a construction permit to build facilities, such as lakes and retention areas; once construction is completed, the permit is converted to an operations permit. The reason SFWMD sent a notice to CPP, regarding the permit conversion, is because the title shows CPP as the owner, rather than Mr. Cumber, who owned the property when construction took place. He explained that CPP's representatives advised SFWMD that they are willing to convert to the operations permit but SFWMD informed them that they cannot convert the construction permit to an operations permit because the construction permit was not closed out and final inspections were not performed; it was never found to be in compliance, by SFWMD.

CPP asked what could be done to complete the construction permit and convert it to an operations permit. SFWMD stated that the retention areas were supposed to have been dug to an elevation of 8.5' above sea level. Mr. Mele noted that they were only dug to 10' above sea level meaning they were 1.5' too high. CPP asked what to do. SFWMD indicated that Mr. Cumber was cited for not properly finishing the work. The problem is that the corporation established by Mr. Cumber, Cumber Professional Park, is no longer in business. SFWMD advised CPP that, although they cited Mr. Cumber's company, it had been dissolved and there were no assets.

Mr. Mele indicated that SFWMD gave CPP two (2) options for rectifying the problem. First, CPP could lower the areas to the required elevations or, secondly, they could contribute to another water body being created in the West Basin. He stated that CPP is short approximately .26 acres. Mr. Mele reviewed aerial photographs of the retention areas, noting the difficulty accessing the areas, in addition to the disruption to the businesses. He concluded that the on-site solution option would be very difficult for CPP to accomplish. SFWMD informed CPP of the District's capital improvement plan (CIP), which involves widening canals. Mr. Mele asked SFWMD if CPP could use that widening to offset its requirement and SFWMD replied affirmatively.

Mr. Mele estimated the cost to dredge the 1' acre to be approximately \$80,000. He recalled that Mr. Cumber's representative attended a past meeting but consideration of the matter or placement of it on the agenda was not requested, in advance. Regarding whether this type of trade is done, Mr. Mele noted that, in his years in government and private practice, he has seen

numerous similar examples. Mr. Mele noted that the money contributed by CPP would benefit the District and enable them to stretch their spending. He reiterated that the unit owners are innocent victims of what happened but are willing to contribute to the District's CIP in order to offset their deficiency.

Mr. Morera disclosed that he discussed this matter with Mr. Mele.

Mr. Morera asked Staff to comment on the matter, as he is uncertain of the right step, since CPP is a private entity and the District is a governmental entity.

Mr. Donahue indicated that the original project received a permit from the District in 2003 for a single outlet into the canal; at that time, the applicant also obtained their SFWMD permit. He noted that this matter first came to the District's attention about two (2) years ago when CPP submitted a permit request for additional parking. In reviewing the original permit, as-builts and new survey, the District Engineer became aware of the situation. Mr. Donahue and Mr. Ernest-Jones had many meetings with CPP reviewing several alternatives and designs to correct the problem. Mr. Donahue stated that this is a unique situation and confirmed the difficulty in accessing the area to make improvements.

By comparison, Mr. Donahue recalled that, last year, the District agreed to a process where the City of Coral Springs contributed money to a canal excavation, in order to meet the retention needs related to the building of the fire house. Mr. Donahue noted a contribution by a private entity near the Saveology Iceplex. Mr. Ernest-Jones discussed other similar situations.

Mr. Ernest-Jones disclosed, for the record, that he will not recommend, specifically, on this matter, as he performed professional engineering services for Mr. Cumber, in the past. Mr. Ernest-Jones discussed water management districts managed by Broward County and situations where the County made retention area available, off site, in exchange for money. He feels that this type of contribution is a sensible way to stretch the District's funds, for utilization on its projects, while providing additional retention.

Mr. Ernest-Jones believes that there will be numerous opportunities, in the future, to offset the canal widening costs and improve water flow characteristics. He recommended charging a fair market rate for what it costs the District to create or expand retention areas. Mr. Ernest-Jones reiterated that he is not giving a specific recommendation for the Cumber Plaza because of his prior work with Mr. Cumber; however, it is guidance that there is precedent for this type of contribution and it provides significant benefits to the District.

Mr. Wrathell noted that this relates to dry retention, serving this project, only. Voicing his appreciation for the concept of off-site mitigation, Mr. Wrathell voiced his understanding that dry retention is designed to deal with the flood component related to the specific property. He wondered if the property still has a flooding issue, if mitigation is off site. Mr. Wrathell thought that off-site mitigation might be okay, if SFWMD decides that its original requirement was excessive.

From the District's perspective, Mr. Wrathell favors alternative sources of revenue; however, he questioned the District's liability. If off-site mitigation is performed, the retention area is insufficient for the specific property and it floods. Mr. Wrathell asked if the District is then liable if it accepts money but the specific property does not realize the benefit. He voiced his sympathy for the current property owners but warned that the District should be aware of developers who might "accidentally" do the same thing, on purpose, knowing that the penalty is making a small mitigation payment and, ultimately allows the developer to include more development on their property, which is a greater financial benefit.

Mr. Morera stated that the retention area acts as an exfiltration system, meaning, the runoff enters the retention area and percolates into the ground.

Mr. Ernest-Jones explained that the problem is with the elevation being too high, not a filtration issue. He discussed retention areas and water discharge during rainy periods. In this situation, the catch basins are in the green areas; water flows from the pavement, into the green areas and moves from the catch basin into the canal system. Mr. Ernest-Jones stated that the permitting process is more stringent now than in the past; this type of situation would likely not occur now.

Mr. Wrathell noted that the District's canal system is designed to move water. Based on discussion, he felt that the issue is not about treatment of the water, it is about storage capacity. Mr. Wrathell voiced his concern about future treatment requirements.

Mr. Capko stated that he is not concerned about setting precedent, if the Board agrees to this arrangement, as there are several factors that are being considered, with regard to this project.

Ms. Heafy asked if the parking lot floods. Mr. Mele indicated that it does not flood.

Mr. Mele advised that CPP is willing to enter into an agreement containing the facts and waiving any claims against the District, regarding things such flooding.

Mr. Wrathell suggested that CPP have its engineer certify that the current on-site retention capacity, drainage and water treatment is adequate to serve the property.

Mr. Mele stated that he was advised by Mr. Harris, the project engineer, that the SFWMD permit must be modified; the type of certification alluded to by Mr. Wrathell is part of that process.

Mr. Prudhomme supports approval of the offer proposed by Mr. Mele, on behalf of CPP. CPP arrived with a willingness to hold the District harmless, along with an offer of money; they are willing to meet the District halfway. Mr. Prudhomme stated that he would be proud to be part of a Board that has a reputation for seeking unusual and unique resolutions so that people can do what they need to do and not be held to a “one size fits all” standard. He feels that, if the City builds on that reputation, it will help the business community grow; people will know, if you have a problem and go to the City, they will be creative and “think outside the box” to resolve the situation.

Mr. Paton questioned whether SFWMD would monitor this proposed retention trade off and hold Sunshine accountable to monitor it in the future. Mr. Mele reiterated SFWMD’s agreement with CPP contributing to water storage in another area, to offset its deficiency. SFWMD confirmed that, because the entire West Basin system is connected, he stated that CPP does not need to show a physical connection between their property and the area where retention is being increased. All that CPP has to do is prove that the District is completing the work.

Mr. Donahue indicated that the District’s master permit, with SFWMD, addresses the two (2) outfalls; it is what they control and measure in the permit. SFWMD generally gives the District leeway regarding what happens within the District’s boundaries. He stated that SFWMD is not focused on tying the storage to this particular property; rather, focus is on the storage being created somewhere in the West Basin and that it meets the conditions of the West Outfall.

Mr. Wrathell stated that, if there were no concerns about flooding or affecting neighboring property, he would be less concerned, as a Board Member, than if there was an expectation that the off-site work would provide the property in a storm event.

In response to Mr. Morera’s question, Mr. Donahue indicated that there is a District canal behind the property. There is a single drainage outfall from the office park into that canal. He confirmed that dredging this canal is not a high priority.

Mr. Morera asked how the dollar amount of CPP's offer was determined. Mr. Donahue stated that, related to the fire station, a unit price for volume excavation, in a canal, was developed. The figure developed was about \$80,000 per acre feet. Coincidentally, that corresponds to the size of CPP's deficiency. Mr. Donahue indicated that the figure is the cost of creating an acre foot of storage in a District canal.

Mr. McKune discussed his understanding of what is being proposed. He voiced his belief that saying one (1)-acre foot is equal to the .26 acres is not true because it must be one (1)-acre foot equals .26 acres, by a certain depth. He feels that it must be about four (4) feet deep by .26 acres to equal a one (1)-foot acre.

Using Canal Z as an example, Mr. Donahue stated that the existing elevation was two (2), at the bottom of the canal and the proposed plan calls for excavating the elevation down to minus one (-1). This means that 3' of depth is gained, over the width of the bottom of the canal. Mr. Donahue indicated that the area needed, times 3', would equal the one (1)-acre foot. In another example, related to Canal Z, Mr. Donahue explained that, between Coral Ridge Drive and Coral Springs Drive, the canal is being widened by approximately 5'; the depth is shallower but it is adding volume to the canal.

Mr. Morera noted the difficulty he has with the District, who had no bearing on the situation, being asked to resolve an issue that it did not create. He recalled comments about future City projects and questioned if similar conditions can be as skillfully resolved.

Mr. Donahue advised that the permits now require submittal of an as-built at the completion of the project. He suggested that, perhaps, the as-built should be required prior to the applicant seeking a CO from the City, which is where the disconnect in this project occurred. Mr. Donahue noted that, years ago, cities often did not confirm with the District or SFWMD to ensure that their requirements were met; cities are now more aware.

Discussion ensued regarding development of an agreement that details the specific circumstances and facts, along with requiring the engineer's certification. Mr. Donahue stated that the best approach would be a modification to Permit 2003-5. Mr. Donahue suggested that the applicant submit a permit modification request, including all documentation, to be presented for the Board's consideration, at the next meeting. Mr. Mele confirmed that CPP anticipated the process outlined by Mr. Donahue.

CPP's permit to somehow include language from SFWMD adding something to the permit that mandates an action, of a certain nature and by a certain time, upon the District. Mr. Mele advised that he can include what is necessary.

Mr. Wrathell asked if the permit modification is pending first action by the District. Mr. Harris stated that CPP is waiting on Board approval and, if approved, they are prepared to submit a modification, within a week, to modify Permit 2003-5, along with a submittal to SFWMD.

Mr. Wrathell suspected that SFWMD could not simply impose obligations upon the District, without the District first agreeing. Mr. Capko will ensure that the agreement states that the deal is off, if SFWMD places any additional responsibilities on the District.

Mr. Mele discussed the NOV that was issued by SFWMD and the associated deadline. He noted that an extension was already requested and SFWMD was informed that CPP was investigating this alternative. Mr. Mele hoped that the Board would approve this action tonight, by motion, subject to review and approval of the form of agreement by the District Manager, District Engineer and District Counsel, and with the condition that CPP file the permit modification application, with the condition that it imposes no obligations on the District. With this motion, Mr. Mele stated that he could then notify SFWMD of the District's participation and SFWMD will give CPP time to complete the process; if the Board does not approve it tonight, Mr. Mele noted that he cannot tell SFWMD that the District approves.

In response to a question regarding Mr. Cumber, Mr. Mele indicated that, if CPP reaches an agreement with the District, Mr. Cumber, in order to avoid litigation by CPP, will contribute a portion of the money that CPP is paying.

Ms. Heafy pointed out that Mr. Cumber's brother was a City Engineer.

Regarding whether CPP has written confirmation from SFWMD approving this approach, Mr. Mele conceded that he does not; however, he discussed it extensively with SFWMD and they are the ones that suggested this to resolve the problem. Mr. Mele stated, if it does not resolve the problem, it will be CPP's problem, not the District's.

Mr. Prudhomme noted that Mr. Cumber built three (3) buildings, along Sample Road, and named each one "Cumber", in order to edify his family name. Mr. Prudhomme suggested that, given the situation created for those that bought Mr. Cumber's product, the CPP Board should take the Cumber name off the building, once the matter is resolved. Mr. Prudhomme felt



that one cannot edify their family name and treat people in this way. Mr. Mele will pass along those thoughts to the CPP Board.

**On MOTION by Ms. Heafy and seconded by Mr. Prudhomme, with all in favor, approval of modification of Permit 2003-5, pending Staff review and comment, and authorizing the Board President or Vice President to execute an agreement, was approved.**

Mr. Mele thanked the Board, on behalf of the CPP property owners.

▪ **Consideration of Certificates of Substantial Completion Agreements for Pump Stations**

*\*\*\*This item, previously the Eighth Order of Business, was presented out of order.\*\*\**

Mr. Donahue recalled that the Certificates of Substantial Completion, including conditions related primarily to vibration issues, at Pump Station #2, were presented last month. He indicated that MWI completed additional retrofits and heavy duty testing was conducted yesterday, with the subconsultants and subcontractors, along with Mr. Selchan and Advanced Mechanical Engineering. Mr. Donahue reported that all vibration issues are resolved and well within the prescribed limits.

Mr. Donahue advised that FPL replaced the transformer at Pump Station #2, upgrading it from 500 KVA to 1,000 KVA. A test was conducted and the outstanding electrical issues, due to the previously undersized FPL transformer, are now solved.

Mr. Donahue stated that MWI is willing to offer a full five (5)-year warranty on the pumps and motors.

Mr. Donahue advised that all problems at Pump Station #2 are resolved and recommended approval and issuance of the Certificate of Substantial Completion.

Regarding Pump Station #1, Mr. Donahue indicated that replacement of the transformer is scheduled for June 24, 2013. Once the transformer is replaced, the test run will be performed. He noted that Pump Station #1 did not have vibration issues. Mr. Donahue reported that, recently, indications of settling of the generator pad were observed. Murray Logan, the general contractor, resurveyed the generator slab and found that it settled about .25", which is within tolerance. He noted that Murray Logan wants to resolve this problem; they will install pin piles and permanently lock the generator pad in place. Mr. Donahue stated that IBI Group's

geotechnical engineers agreed to Murray Logan's technical concept. Murray Logan will submit the detailed plans by the end of the week, for the District Engineer's review. Once approved, the work can be completed within one (1) week.

Mr. Selchan concurred with Mr. Donahue's review of Pump Stations #1 and #2. He confirmed that the generator shift at Pump Station #1 is the only remaining issue. In response to a question, Mr. Selchan stated that the settling issue, at Pump Station #1, is similar but different than the previous problem at Pump Station #2. He explained that, on a scale of one (1) to ten (10), the issue at Pump Station #2 is a one (1).

Mr. Wrathell stated that Pump Station #2 appears completed; however, regarding Pump Station #1, he is concerned about issuing the Certificate of Substantial Completion, considering that a problem remains.

Mr. Tori reviewed the definition of "substantial completion" and stated that the remaining issues at Pump Station #1 could be attached to the Certificate of Substantial Completion, such that it is contingent upon resolution of those items. Mr. Tori asked the Board to approve the Certificates of Substantial Completion for both Pump Stations #1 and #2, attaching the list of contingency items for Pump Station #1.

Mr. McKune agreed with Mr. Tori's request.

Mr. Donahue referred to Exhibit A, for Pump Station #1, located behind Tab 8, and stated that Items 2 and 3 would remain and Item 1 would be rewritten, to state that the generator pad will be pin pile secured, to the District's acceptance.

Mr. Morera recalled concerns, previously expressed by Mr. Wrathell, regarding acceptance of the Certificates of Substantial Completion allowing release of the performance bond. Mr. Wrathell stated that, in an abundance of caution, he would not release Pump Station #1, since an issue remains; however, it is at the discretion of the Board. Ms. Heafy saw no problem releasing it, provided the previously discussed contingency items are attached.

Regarding the time frame for completion of the FPL and settling issues, Mr. Donahue advised that FPL is scheduled for June 24, 2013; Murray Logan will provide detailed plans this week and, once approved by District Staff, they can complete the work within a week. Mr. Donahue felt that both issues should be resolved by the end of the month.

Mr. Morera recalled the repair work at Pump Station #2, including removal of the generator, redoing the pad and pin piling it. He questioned how the pin piling work can be completed at Pump Station #1, without moving the generator, etc.

Mr. Donahue noted that the settling problem at Pump Station #2 was more significant; the enclosure wall was settling, more so than the pad. In this case, the pad is independent of everything else. He stated that the methods will be included in Murray Logan’s detailed engineering plans. Mr. Donahue acknowledged that it will be a challenging project.

Mr. Selchan voiced his confidence that the problem will be resolved. Mr. Selchan recommended adding the testing, following installation of the new transformer, to the contingency list. Mr. Donahue stated that testing is included under Condition 3.

Regarding retainage, Mr. Tori believed that the District is holding \$50,000 on the MWI contract and approximately \$160,000 related to direct owner purchases.

Discussion ensued regarding release of the retainage. Mr. Donahue noted that the “final blessing” is the Certificate of Final Completion. Mr. Wrathell noted that the intent is to release the retainage once the Certificates of Substantial Completion are approved.

Mr. Ernest-Jones pointed out that the District has made full use of the new construction for quite some time.

**On MOTION by Ms. Heafy and seconded by Mr. Prudhomme, with all in favor, the Certificates of Substantial Completion, for Pump Station #2 and Pump Station #1, subject to the stipulated conditions, as discussed, and final consideration of the District Engineer, were approved.**

**THIRD ORDER OF BUSINESS**

**Update: Canal Z**

- **ROW Clearing Summary [DP, TD]**

Mr. Paton presented the ROW Clearing Summary. He stated that the summary is broken down by the south side, consisting mostly of homes, and the north side, which consists of condominiums and townhouses. He reported that there are 96 residences on the south side and 27 multi-family buildings on the north side. Of the 123 total units, 22 had no encroachments, while 101 had encroachments. Staff attempted to contact the 101; three (3) separate mailings were completed. Mr. Paton indicated that, of the 101 contacted, 17 never responded. He noted

that two (2) of those who failed to respond are gas stations; however, they are not significant encroachers. The remaining 15 were mostly single-family homeowners in Eagle Trace or Cypress Run.

Mr. Paton indicated that Option 1 was for the property owner to clear the encroachments, Option 2 was for the District to clear them and Option 3 involved the 10' and 5' vegetative buffer space, depending on the community. Of the 84 who responded, 45 selected Option 3.

Mr. Paton reported that Staff met with four (4) property owners that refused to cooperate with any of the options; they refused to sign anything.

Mr. Paton stated that, of the 101 properties with encroachments, 18 illegal, unpermitted fences are in the District's right-of-way (ROW). He noted that some encroach only a few feet but others go to the water's edge. In response to Mr. Morera's question, Mr. Paton advised that 16 of the properties with illegal fences are in Cypress Run, along NW 21 Place; none of the fences were permitted. He stated that many residents have fences that were permitted and are on their own property; only a handful installed their fences illegally. Mr. Paton indicated that the 18, with illegal fences, were advised that their fence must be moved; the District will remove it or the property owner must move it. He reported that many choose to move the fence themselves; however, the majority of the 18 felt that the District should not require them to do anything with their fence.

Mr. Paton indicated that, after the District completed an inventory of the trees, the City developed a tree mitigation estimate of approximately \$28,000. He explained that the mitigation costs might be lower, as several trees on the City's list will actually be relocated, not removed.

Mr. Donahue advised that the Canal Z ROW Vegetation Removal Program was advertised and emails were sent to approximately 20 landscape companies in Broward County. To date, six (6) sets of plans were received. The pre-bid meeting will be held June 19, 2013 at 10:00 a.m., at this location, followed by a site visit. The bid deadline is Tuesday, July 2, 2013 at 11:00 a.m. Bids are to be submitted to IBI Group. Mr. Donahue expects to present a preliminary recommendation for award of the contract at the July meeting. He indicated that the intent is to finalize the contracts at the August meeting, with vegetation removal taking place during September, October and November.

Regarding relocation of encroachments, Mr. Paton stated that, if a property owner in Cypress Run selected Option 3 and wanted vegetation moved from the ROW, into the 10'

vegetative buffer, the District agreed to relocate certain foliage in the middle of the 10' buffer, if the plants would grow. Mr. Paton explained that, with Option 3, non-nuisance plants or trees items already within the 10' buffer were allowed to remain; however, if the person wanted to install new items, Staff provided them with a list of City-approved plants.

Ms. Heafy noted that replanted vegetation often dies and asked if the District will be responsible. Mr. Paton replied no and stated that the agreement specifies what the property owner must do to maintain the transplanted plant. Furthermore, the agreement confirms that the District has no responsibility and makes no guarantees. Mr. Morera pointed out that plants might be installed along the edge of the buffer to grow into the ROW. Mr. Paton indicated that the agreement allows planting in the middle of the 10' buffer, not at the buffer edge.

Mr. Donahue clarified that the 10' buffer spans the area between Coral Ridge Drive and Coral Springs Drive. From Coral Ridge Drive, west to the Sawgrass Expressway, the buffer is 5'. Mr. Paton pointed out that, on the north side, the ROW is 10' to 12' wide, which is why Option 3 is not applicable in that area.

Regarding the unpermitted, illegal fences, Mr. Paton reiterated that the property owners were told that the fences must be removed from the District's ROW.

Discussion ensued regarding the City's proposed ordinance relating to prior discussions. Mr. Morera felt that the language covers the points needed by the District.

Mr. Wrathell stated that most of the items the District asked for consideration of are included on Page 2. He noted that the District specified that its canals have a 7.5' control elevation but the City used more simplistic terminology, which was the "normal water line", based upon the normal depth of the water, 25' up. He feels that the City's language means what the District wants.

Regarding fencing and the City's plant screening requirements, the District asked that it not be required to be planted at the end of the buffer. The City was not that specific; however, the District can include it as a requirement or condition, within the agreement. Although the District did not request the gate requirement, he felt that it is fine. The specification that landscaping, included in the 10' ROW buffer must be native materials, was the City's addition but is based on conversations with the District. Mr. Wrathell noted that property owners may have already replanted items in the buffer area but the City's proposed ordinance now specifies use of only native materials. He suggested notifying the City that, during a meeting, the City

Forester did not specify native materials so property owners may have already moved items. Mr. Wrathell concluded that the City did a very good job of trying to address all of the District's concerns.

Mr. Morera referred to the final line of an email stating that "Additionally, the proposed amendment will not in any way require those districts who do not wish to allow fences on their property to do so". He feels that the statement gives districts the ability to deny fences, if they wish.

Mr. Capko confirmed that there is no way that the City can force a district to allow someone to put something on the District's property. Mr. Wrathell concurred and added that the ordinance states "no fence shall be within 25' of water's edge". Discussion ensued regarding the 25' width. Mr. Wrathell recalled that the ROW was to include the 10' vegetative buffer, 10' for access and 15' of slope. Mr. Ernest-Jones stated that measuring 25' in, from the water's edge, is one thing; however, his recommendation is that the "top of bank" is not moveable and does not alter with the rise and fall of the water level.

Mr. Capko voiced his belief that "normal waterline" is a technical term that can actually be used for taking a measurement from; there is no "normal", given the wet and dry seasons. He feels that the City may encounter trouble when trying to use waterline as a point of measurement. Mr. Capko stated that CSID is also concerned about the City's proposal. He noted that CSID met with the city regarding being able to allow fences, within the district's ROW, if permission is granted. CSID presented a very simple ordinance change that would accomplish that. The City's proposal is much different and sets up an entire program utilizing waterlines, etc.; the City is stepping into the district's shoes by trying to determine exactly where fences can be placed, along with providing a measurement that does not work, rather than simply saying that "you can only put a fence on your property or, if it is in a district's ROW and the district provides its written consent, regardless of distance". Mr. Capko felt that the distance factor, in the proposed ordinance, creates confusion.

Mr. Wrathell recalled the thinking behind establishing a width. The reason the District requested this was because it does not want to be bombarded with future requests on ROWs that are not as wide as Canal Z, making it unique. Mr. Wrathell feared that the City could come back and apply political pressure on the District, questioning why the District allowed certain things on Canal Z that it might not be allowing on other canals.

Ms. Heafy voiced her opinion that it is a bad idea to allow any fences on District property.

Mr. Selchan stated that, from an operations perspective, he does not want anything in the way; it is a maintenance and drainage area that is part of the District’s ROW. He stressed that the ROW is not a recreation area, like some want it to be. Mr. Selchan confirmed his understanding of why the District is moving in this direction; however, he does not necessarily agree with the approach but it still allows the District to approve or deny fence requests.

Mr. Wrathell recalled Mr. Donahue’s suggestion that the fence portion, extending into the vegetative buffer, have a separate fence post, so it could be removed.

Regarding notifying the City of the District’s suggested changes, Mr. Morera felt that the fence location should be determined by the District, rather than being a “hard” number of feet, as proposed by the City. Mr. Ernest-Jones agreed, adding that the City’s best bet would be to maintain the existing code.

Mr. Paton discussed the issue of high water conditions, which could lessen the District’s area of access. Mr. Morera suggested notifying the City that the District is concerned with the language regarding “normal water conditions” and that it should be more clearly defined. Mr. Paton agreed that the decision should be left to the District.

Mr. Morera indicated that he will attend the City Commission meeting for the first reading and the District can express its opinions at that time.

Mr. Donahue stated that, at the end of May, a dewatering permit for Canal Z was received from SFWMD, along with the environmental resource permit. At the end of May, the Army Corps of Engineers (Corps), issues a preliminary jurisdictional determination indicating that they have no issues with the project. The Broward County Planning and Environmental Regulation Division permit is the only pending permit. Mr. Donahue is answering their final questions and expects the permit to be issued shortly. Regarding the tree removal permit, Mr. Donahue indicated that it cannot be issued until a contractor is selected.

**FOURTH ORDER OF BUSINESS**

**Citizens Comments/Requests [3-Minute Time Limit] (*Requests should be made from the microphone to ensure recording of all comments. Please state your name prior to speaking.*)**

Mr. Mike Saltzman, a Canal Z resident, recalled his attendance at previous meetings and his comments that the District is moving closer to a resolution with residents. He stated that the process is emotional to everyone along Canal Z; however, if the District agrees to the 10’ buffer and allows fences within the buffer, he feels there would be little objection from residents. Mr. Saltzman discussed his interpretation of the City’s intent and suggested that the term should be “ordinary or normal high water line”, which is a regular term in surveys, as well as a legal established term that is used all the time. He felt that anything within the 25’ space would not be allowed to have a fence and the space would still give the District plenty of maintenance space, with only grass, while allowing property owners the 10’ buffer. Mr. Saltzman believes the District is now in a position for the City, the District and the property owners to reach an agreement; he would hate to see politics get in the way, at this point. He acknowledged and voiced his appreciation that the District has made many attempts to reach a resolution. Mr. Saltzman urged the District to grant requests when approached with permit requests for fences within the buffer areas.

**FIFTH ORDER OF BUSINESS**

**Approval of May 8, 2013 Regular Meeting Minutes**

Mr. Morera presented the May 8, 2013 Regular Meeting Minutes and asked for any additions, deletions or corrections.

**On MOTION by Mr. Prudhomme and seconded by Ms. Heafy, with all in favor, the May 8, 2013 Regular Meeting Minutes, as presented, were approved.**

**SIXTH ORDER OF BUSINESS**

**Consideration of Resolution 2013-4, Approving the District’s Proposed Budgets for Fiscal Year 2013/2014 and Setting a Public Hearing Thereon Pursuant to Florida Law**

Mr. Morera presented Resolution 2013-4 for the Board’s consideration.

Mr. Wrathell directed the Board to Page 11 and noted that it reflects a potential assessment increase. Rather than negotiating with the District Engineer regarding the projects to include in the proposed budget, all items were inserted, including the Corporate Park project.



The increase amounts to 11.5%, or \$23 per unit, over the Fiscal Year 2013 assessment amount. Mr. Wrathell stated that, in dollar amounts, the increase is not much. He indicated that the Board can prioritize the projects and work towards an agreeable assessment amount.

Referring to Page 1, Mr. Wrathell stated that, in order to cover the budgeted expenses, the overall assessment levy must increase. He explained the 4% discount for early payment of taxes and detailed the sources of revenue.

Mr. Wrathell reviewed the Expenditures, noting minor adjustments in various line items. He pointed out that legal expenses are anticipated to go over budget this fiscal year so the "Legal" line item, in the proposed budget, was increased from \$72,000 to \$90,000. Mr. Wrathell reviewed the "Field operations" expenditures and noted an increase in "Salaries and wages" and the associated employee line items, noting that a trash crew was hired and the proposed budget includes overtime and raises. He discussed the projected 5% increase for health care but explained that the increase could be larger, as a result of the new health care regulations. Mr. Wrathell noted a significant increase in the "Workers' compensation expenditure", from \$14,514 to \$24,840. He explained that the District's rating went up, as a result of claims and a higher salary level.

Mr. Wrathell indicated that the "Engineering" line item was increased from \$240,000 to \$264,000. He noted that the proposed increase factors in potential engineering costs related to the "Repairs and maintenance" and "Capital outlay" projects highlighted below; if some of those projects are reduced or cut, the associated engineering costs would likely adjust down, accordingly. In fairness to the District Engineer, Mr. Wrathell pointed out that the District had a lot of engineering projects take place during this fiscal year. Regarding "Electric", Mr. Wrathell noted that the District under budgeted the expenditures, as a result of the switch from propane to electric; the proposed budget reflects an adjustment, based on the anticipated actual expenditures for the current fiscal year.

Under "Insurance", Mr. Wrathell indicated that the District over budgeted; therefore, the proposed budget was reduced from \$44,768 to \$29,049. In response to Ms. Heafy's question, Mr. Wrathell explained that the District bound insurance on the pump stations last fall.

Under "Repairs and maintenance", Mr. Wrathell noted that "Canal banks" was increased from \$12,000 to \$20,000 and "Canal dredging" was increased from \$35,000 to \$100,000. Under "Capital outlay", the "Corporate park canal restoration" line item was added, for \$200,000, as

discussed, at previous meetings. The remaining line items remain unchanged, except for the addition of a "Pump station telemetry" line item, for \$1,000.

Brief discussion ensued regarding the \$30,000 anticipated contribution from the City and how those funds would be applied.

Regarding the projected ending fund balance of \$2,786,793, Mr. Wrathell indicated that 667,792 is assigned as three (3) months working capital and \$2 million is assigned to disaster recovery, leaving \$119,001 unassigned.

Mr. Wrathell reviewed the debt service fund budget and debt service schedule, for the Series 2011 bond, on Pages 8 through 10. He noted the good timing in reissuing the bonds. A fund balance surplus of approximately \$61,000 is projected at the end of Fiscal Year 2014. Mr. Wrathell discussed that assessments are billed and collected in advance of when they are due.

Mr. Wrathell reminded the Board that this is simply a presentation of the proposed budget for the purpose of setting the public hearing. He recommended holding the public meeting at the District's September meeting.

Mr. Wrathell explained that Broward County requires that assessments be contained on the TRIM (truth in millage) notices sent to property owners, in advance of sending the yearly tax bills. In order to meet that requirement, the public hearing must be held close to September 15.

Mr. Wrathell stated that the proposed budget can be changed leading up to the public hearing.

Mr. Morera pointed out that the District's engineering and legal expenses continue to escalate. He feel that the costs need to be better managed but was unsure what could be asked of the District Engineer and District Counsel.

Mr. Donahue recalled that the engineering budget was \$264,000 for the first three (3) years and was only reduced to \$240,000, last fiscal year, in an attempt to build the District's hurricane reserves. He acknowledged that his firm is struggling to stay within the reduced budget, given the numerous Canal Z property owner meetings, etc. Mr. Donahue noted that the engineering costs related to bidding, construction observation of vegetation removal and the canal restoration projects are legitimately bond fund eligible. He assured the Board that IBI Group is working to meet the \$240,000 budget and will aim to do so again, next fiscal year.

Mr. Capko indicated that District Counsel is willing to do what they can to keep their costs down. He noted that the way the District creates its budget, all legal costs are lumped into

the “Legal” line item; other Districts apply the legal fees associated with capital projects and similar projects to the project’s funds. Splitting the legal costs out would make it easier to differentiate and compare the run-of-the-mill legal expenses with the legal expenses related to capital projects, which are more active.

Regarding the high engineering and legal expenses, Ms. Heafy voiced her opinion that the District has created the problem themselves. The District’s attempts to accommodate everyone have caused the current legal and engineering expenses.

Regarding the proposed 11.58% assessment increase, Mr. Morera voiced his surprise and noted that he expected an increase of around 5% to 6%. He asked what must be changed in the budget to reduce the increase to only 5% or 6%.

Ms. Heafy pointed out that the District would need to require less from their professionals; the District cannot call on them without expecting them to perform the work.

Mr. Wrathell summarized that the 11.58% proposed increase equates to \$370,000. In order to cut the increase in half, the Board must eliminate \$180,000 from its budget. Mr. Morera asked if that means only \$100,000 must be eliminated, if the \$80,000 coming in is factored in. Mr. Wrathell stated that the anticipated \$80,000 will likely be revenue reflected in the current fiscal year, not Fiscal Year 2014. Mr. Wrathell indicated that the fund balance assumptions could be adjusted to show the District using the \$80,000 in fund balance to pay capital related expenses; it cannot be reflected as revenue for Fiscal Year 2014.

Mr. Wrathell stated that he envisioned that, with the addition of the Corporate Park project, the Board would need to reduce other capital expenditures.

Regarding the City contributing to the Corporate Park project, Mr. Wrathell discussed with Mayor Bocard that the entire project cost would be approximately \$600,000, of which, the District could commit \$200,000 to excavate the canals but needs the City’s financial help to clear the banks.

Mr. Morera pointed out that Pages 4 through 7 are duplicated and contain different amounts. Mr. Wrathell confirmed that the first set of pages, with the \$2,671,169 amount listed on Page 7, is correct; the other set of pages should be removed.

In response to Mr. Morera’s question, Mr. Wrathell indicated that, if the District does not budget for the Corporate Park project, the assessment increase will be approximately 4.5% to 5% for Fiscal Year 2014.

Regarding the Corporate Park, Mr. Morera acknowledged that the District wants to provide a benefit but do so working with the City to achieve something that leads to potential growth of the Corporate Park. He noted that, from the District's standpoint, and the much higher assessment to the District's landowners, the project does not really improve the District's operation, whatsoever. The Board is faced with trying to justify raising assessments an extra 5% for a potential semi-beneficial program.

Mr. Wrathell indicated that the Board has time and Mayor Boccard wants to discuss the project with Mr. Morera. He discussed the timeline for the Canal Z project and pointed out that the Corporate Park project would likely not commence until May, 2014, or later.

Regarding engineering costs, Mr. Prudhomme asked the District Engineer if IBI Group has any other sources of revenue, other than what is budgeted by the District. Mr. Donahue indicated that IBI Group has numerous other public and private sector projects. Regarding the engineering costs incurred by the District, Mr. Ernest-Jones explained that the capital improvements paid for from the bond fund are billed to the bond fund and have associated engineering costs. Mr. Prudhomme asked how much IBI Group received from the District, during the last fiscal year. Mr. Donahue estimated \$500,000, per year, on average, for the past five (5) years. Mr. Prudhomme pointed out that the \$240,000 engineering line item is not the only one the Board should be reviewing. Mr. Ernest-Jones indicated that the line item is the District Engineer's day-to-day work, in addition to other work, such as the Canal Z project. Mr. Donahue pointed out that the Canal Z work, up to this point, including things such as meeting with residents, etc., was not "bond-eligible"; going forward, engineering time for the project will be billed against the bond fund.

Mr. Prudhomme asked for an estimate of IBI Group's revenues from the District, over the past two (2) years. Mr. Donahue stated that the figures have been consistent over the past five (5) years.

Mr. Morera voiced his preference for a 5% assessment increase, as opposed to 12%. He pointed out that the District may not get to many of the proposed items, such as the Corporate Park, depending on how long it takes to complete Canal Z.

Mr. Wrathell recommended that the Board try to eliminate \$170,000 to \$180,000 from the items included in the proposed budget; it can choose to do the Corporate Park project and

eliminate or reduce other items or not complete the Corporate Park project. Also, the District could select an item to push to Fiscal Year 2015.

Mr. Morera stated that he wants to do what he believes the District is charged with, which is not unjustifiably increasing assessment rates when the District does not have to.

Mr. Wrathell suggested that the Board must decide which capital projects it wants to focus on, leave those in the budget and take the other projects out.

Mr. Wrathell noted the goal to calm the political aspect. He discussed the progress made over the past months and noted that the City now acknowledges the District's need for a significant portion of its own ROW, the importance of completing the Canal Z project in order to improve drainage and that the District is not just doing it to be difficult on residents. He feels that the City has gained appreciation for the District's purpose.

**On MOTION by Ms. Heafy and seconded by Mr. Prudhomme, with all in favor, Resolution 2013-4, Approving the District's Proposed Budgets for Fiscal Year 2013/2014, as amended, and Setting a Public Hearing for September 11, 2013 at 6:30 p.m., at this location, was adopted.**

**SEVENTH ORDER OF BUSINESS**

**Discussion: CPP Condominium Association, Inc., Request to Contribute Water Storage "Credit" to Offset Surface Water Area Deficiency**

This item was discussed after the Second Order of Business.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Certificates of Substantial Completion Agreements for Pump Stations**

This item was discussed after the Second Order of Business.

**NINTH ORDER OF BUSINESS**

**Discussion: Pump Station Dedication [CW]**

This item was deferred to the next meeting.

**TENTH ORDER OF BUSINESS**

**Discussion: July 10, 2013 Meeting Date  
Conflict with City of Coral Springs 50<sup>th</sup>  
Anniversary Celebration**

Mr. Morera indicated that the District's scheduled July meeting date coincides with the City's 50<sup>th</sup> Anniversary celebration and asked that the Board consider moving its meeting to another date.

**On MOTION by Mr. Prudhomme and seconded by Ms. Heafy, with all in favor, rescheduling the July meeting to July 17, 2013 at 6:30 p.m., at this location, was approved.**

**ELEVENTH ORDER OF BUSINESS**

**Discussion: Coral Springs Corporate  
Park [CW]**

There being nothing additional to discuss, the next item followed.

**TWELFTH ORDER OF BUSINESS**

**Discussion/Consideration: Quote for  
John Deere 5085E Utility Tractor**

Mr. Selchan indicated that this item was included in the budget. It is from the state bid list and is the recommended tractor to use with the District ditch bank mower. Mr. Selchan noted that the old equipment served the District for 20 years; it is starting to have numerous maintenance issues and is costing more to maintain them. Mr. Selchan indicated that this bid is the lowest bid, piggybacking on the state's contract, and includes the \$5,000 trade-in value of the old tractor.

**On MOTION by Ms. Heafy and seconded by Mr. Prudhomme, with all in favor, the purchase of a John Deere 5085E Utility Tractor, in the amount of \$31,991.52, was approved.**

**THIRTEENTH ORDER OF BUSINESS**

**Discussion/Consideration: Bid for  
Tripliod Grass Carp**

Mr. Wrathell recalled that this item was budgeted.

Mr. Selchan indicated that the request for bids was advertised and sent to the vendors on Florida Wildlife Control’s list. One (1) vendor responded with a bid. He advised that the price is about the same as it was the last time. Mr. Selchan stated that he will likely install half of the fish in the Corporate Park area and the other half in the Woodlake area.

In response to a question, Mr. Selchan confirmed that the fish do get caught.

**On MOTION by Ms. Heafy and seconded by Mr. Prudhomme, with all in favor, the purchase of Triploid Grass Carp, in the amount of \$17,190, was approved.**

Discussion ensued regarding fishing along the canals. In response to a question, Mr. Selchan indicated that the sign requested by Mr. Poore, a resident, was not yet purchased or installed. Mr. Morera felt that a decision was made two (2) meetings ago and directed Staff to get it done.

**FOURTEENTH ORDER OF BUSINESS**

**Supervisors’ Communications**

Ms. Heafy asked the status of the City’s entrance project. Mr. Selchan voiced his opinion that the hard improvements will be completed prior to landscaping. Mr. Donahue believes that the City submitted their final plans, which was a condition for the permit.

Ms. Heafy asked Staff to work with the City on the tree mitigation matter, as it is taking up bond money, which should be used to dig canals.

Mr. Prudhomme requested a flag be displayed at the meetings and that each meeting begin with the Pledge of Allegiance. Mr. Wrathell will check with the hotel for a flag.

Mr. Morera indicated that he attended the FASD meeting today.

**FIFTEENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney: *Lewis, Longman & Walker, P.A.***

Mr. Capko had nothing additional to report.

**B. Engineer: *IBI Group***

Mr. Ernest-Jones announced that he is stepping down as District Engineer, as the major capital programs are completed or have launched. He indicated that Mr. Donahue will officially become the District Engineer. Mr. Ernest-Jones will be available to consult but will not attend most meetings. He thanked the District and voiced his feeling that they, as a team, have made a substantial difference and good strides.

Mr. Ernest-Jones discussed the accolades that the District received during the previous year.

Ms. Heafy voiced her appreciation to Mr. Ernest-Jones.

Mr. Capko, on behalf of himself and Mr. Lewis, expressed their thanks to Mr. Ernest-Jones. He noted Mr. Ernest-Jones' knowledge, information and insight about the District and the City. Mr. Capko voiced his complete confidence in Mr. Donahue.

Mr. McKune had no comments.

Mr. Selchan voiced his appreciation, noting that both he and Mr. Ernest-Jones were passionate about doing what is best for the District. He thanked Mr. Ernest-Jones for his service to the District.

Mr. Paton wished Mr. Ernest-Jones good luck.

Mr. Wrathell expressed his appreciation to Mr. Ernest-Jones and, politics being what they are, voiced his belief that history will later judge that everything the District has done was right, just and for the benefit of the District's residents. Mr. Wrathell credited Mr. Ernest-Jones, Mr. Donahue, IBI Group and Mr. Selchan for raising awareness of the deficiency issues with the District's drainage system. Regardless of politics involved, Mr. Wrathell reiterated that Mr. Ernest-Jones has always been well-intentioned and done his best, for the District. He stressed that a great deal of the credit for the two (2) new pump stations, the canal work and the CIP, that will be followed for years to come, goes to Mr. Ernest-Jones, the Board and Mr. David Hulett. Mr. Wrathell thanked Mr. Ernest-Jones for his service.

Mr. Prudhomme indicated that Mr. Ernest-Jones should be proud of his public service and thanked him for what he has done for Coral Springs.

Mr. Morera concurred with all of the previous comments and added that Mr. Ernest-Jones' passion, care and dedication to Coral Springs has always shown through. He acknowledged the sacrifices Mr. Ernest-Jones has made, along the way, in order to service his fellow residents and make the City better. Mr. Morera stressed that Mr. Ernest-Jones has been a



wealth of information to the Board and available to provide guidance. He voiced his feeling that Mr. Ernest-Jones, by his actions, always performed his job with honesty and integrity, regardless of what others said or their interpretations. Mr. Morera believes that people failed to recognize Mr. Ernest-Jones' sincerity in the process and did not acknowledge the integrity that he brought to the process. Mr. Morera thanked Mr. Ernest-Jones for his services and noted that his contributions to the District will be long-felt.

Mr. Donahue voiced his appreciation to Mr. Ernest-Jones for his professional influence.

Mr. Morera noted his confidence in Mr. Donahue, going forward.

**i. Permit Application Log**

The permit application log was included for informational purposes.

**ii. Monthly Engineer's Report: 05/01/13 to 06/05/13**

Mr. Donahue indicated that most items were previously discussed.

Mr. Donahue stated that the City tasked their Engineer to analyze the Westchester flooding issues, as a result of Tropical Storm Issac. He advised that he, Mr. Ernest-Jones and Mr. Selchan met with the City, a number of times, to explain the history of the situation and provided them with much of the District's modeling, to use as a basis for their analysis. They also met with the City to work on certain issues and ensure that everything was in sync. Mr. Donahue reviewed the preliminary report and noted that a major finding was to recommend to the City that the District consider upgrading a number of the culverts through the Westchester neighborhood, especially heading south, to Canal Z.

**C. Engineering Consultant: *John McKune***

Mr. McKune had nothing additional to report.

**D. Field Supervisor: *Cory Selchan***

Mr. Selchan referred to a rainfall of 3.5", within two (2) hours, on June 7. He indicated that the rainfall brought the water level in Westchester up to 9.7", which is very close to the levels after Hurricane Isaac. As a result of the rain event, there was street flooding, in the area, but the water was gone by the morning, which Mr. Selchan attributed to the improvements and new pump stations. Mr. Selchan voiced his appreciation to the Board for keeping their undivided attention on Canal Z, as it is the appropriate thing to do; the full benefit of the improvements will not be realized until Canal Z is completed.

Mr. Selchan thanked the Board for approving the purchase of new equipment and fish; they will benefit the District greatly.

**E. Manager: Wrathell, Hunt & Associates, LLC**

**i. Approval of Unaudited Financial Statements as of April 30, 2013**

Mr. Wrathell presented the Unaudited Financial Statements as of April 30, 2013 and the unreconciled cash balances. He indicated that the District's money is in the FineMark Bank Insured Cash Sweep (ICS) account.

Mr. Wrathell pointed out that assessment collections were at 92%. He anticipates that the District's actual expenditures will exceed budget, due to the unanticipated hurricane clean up expenditure, to reimburse FEMA, meaning a budget amendment will be necessary. Mr. Wrathell noted that the debt service assessment collections were at 92%, as well.

**On MOTION by Mr. Prudhomme and seconded by Ms. Heafy, with all in favor, the Unaudited Financial Statements as of April 30, 2013, were approved.**

Mr. Wrathell advised that the Auditor General's operational audit is scheduled to commence in July. He was contacted by Ms. Marilyn Rosetti, of the Auditor General's office, who assured him that this will be a fair audit and that it will not be political; it will be a straight, factual audit. Mr. Wrathell did not anticipate any issues, other than minor questions regarding written policies for certain procedures.

Ms. Heafy asked for a description of the process.

Mr. Wrathell noted that this is the first time in his 15-year career that any of his Districts had an operational audit. He voiced his understanding that a majority of the time will be spent in Management's office reviewing records and asking questions. In response to Ms. Heafy's question, Mr. Wrathell confirmed that other Districts are going through the same thing. He noted stories in the newspaper about Mr. Rick Abruzzo, a Florida legislator, calling for an audit of an entity when one (1) of his staff members was not hired by the entity.

Mr. Capko indicated that both Senator Abruzzo and Senator Jeremy Ring are on the joint legislative auditing committee and recalled that Senator Ring called for the audit of this District.

Mr. Wrathell stated that, seemingly, operational audits have become more of a political tool.

Mr. Wrathell discussed the structure of The Villages and the IRS findings. Mr. Capko explained that the IRS has not made a ruling but the expected next step is that the IRS will declare The Villages' bonds taxable.

**ii. NEXT MEETING DATE: July 17, 2013 at 6:30 P.M.**

Mr. Morera indicated that the next meeting is scheduled for July 17, 2013 at 6:30 p.m.

**FIFTEENTH ORDER OF BUSINESS**


**Adjournment**

There being nothing further to discuss, the meeting adjourned.

**On MOTION by Ms. Heafy and seconded by Mr. Prudhomme,  
with all in favor, the meeting adjourned at 10:28 p.m.**



Secretary/Assistant Secretary



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Chair/Vice Chair