

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

A Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, January 8, 2014, 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
Al Malefatto	District Counsel
Tom Donahue	District Engineer
Cory Selchan	Field Superintendent
John McKune	McKune & Associates
Rhon Ernest-Jones	Former District Engineer
David Hulett	Resident
Mike Goldberg	Resident
Gary Runge	Resident

FIRST ORDER OF BUSINESS

Call to Order

Mr. Morera called the meeting to order at approximately 6:33 p.m.

SECOND ORDER OF BUSINESS

Roll Call

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

THIRD ORDER OF BUSINESS

Pledge of Allegiance

All present recited the Pledge of Allegiance.

▪ **Acknowledgement of Former District Engineer, Rhon Ernest-Jones**

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

Mr. Morera presented Mr. Rhon Ernest-Jones with a plaque in recognition of his years of service to the District.

Mr. Paton thanked Mr. Ernest-Jones for his service. Mr. Wrathell stated that it was a pleasure to work with Mr. Ernest-Jones. Mr. Prudhomme congratulated Mr. Ernest-Jones. Mr. Donahue voiced his appreciation to Mr. Ernest-Jones for his personal and professional support, over the years. Mr. Selchan congratulated Mr. Ernest-Jones. Ms. Heafy echoed the previous comments and voiced her opinion that Mr. Ernest-Jones is honorable. Mr. Morera thanked Mr. Ernest-Jones for his work with the District in bringing it up to a standard that did not previously exist and putting the District on the right path to serve its residents and provide the proper and necessary drainage. Mr. Hulett commented on Mr. Ernest-Jones' integrity and expertise in determining the needs of the District, along with the capital improvement program (CIP), which is a great service to the community. Mr. Hulett noted Mr. Ernest-Jones' history in the community, including years on the Coral Springs Planning and Zoning Board and serving as the Mayor of Coral Springs; he believes that Mr. Ernest-Jones has emerged with his personal integrity intact, despite recent situations and attempts by others in the community. Mr. Hulett recalled his time as the District's President and voiced his pleasure in working with Mr. Ernest-Jones on District matters.

Mr. Ernest-Jones stated that it was great working with a remarkable team, with top-quality Board Members, District Management and District Counsel. He commended Mr. Hulett for his prior leadership, as District President, in the transformation of the District, to bring the District up to the current standard. Mr. Ernest-Jones stressed that drainage is an important matter that, oftentimes, residents must be reminded of. He believes that the District experienced many years of great accomplishment with the completion of many projects, including Canal Z. Mr. Ernest-Jones wished the District luck in the upcoming dredging project. He noted that the new pump stations were a huge step forward for the District. Mr. Ernest-Jones thanked everyone for being wonderful colleagues and for their expression of sympathy during his mother's recent passing.

FOURTH ORDER OF BUSINESS

Public Comments [3-Minute Time Limit]
(Comments should be made from the microphone to ensure recording. Please state your name prior to speaking.)

Mr. Mike Goldberg, a resident, indicated that his interactions with Mr. Paton have been very positive; Mr. Paton is quick to respond. He voiced his contrary opinion regarding the success of the Canal Z project. Mr. Goldberg recalled expressing his fear that the project would cause property values to decrease and it would be difficult to sell homes. He speculated that the reality of his fears is now true and contended that two (2) homes that previously sold for over \$450,000 each cannot be sold now, at any price. Mr. Goldberg contended that no one will buy those homes because of the cleared right-of-ways (ROWs). He spoke of a nearby home where a parent was not watching their young child and, as a result, the child nearly fell in the canal because the barrier of trees is no longer in place. Mr. Goldberg voiced his displeasure with the increased noise levels because his barrier is gone. He stated that a homeless person was sleeping on his property yesterday and people are now walking dogs along the ROW. Mr. Goldberg asked who is responsible for “policing” the ROW for those types of situation. He stressed that he cannot maintain the ROW, if dog waste is on it.

Ms. Heafy advised that residents should notify animal control.

Mr. Goldberg voiced his opinion that the end result of the ROW project was the “worst-case” scenario; it looks “awful”. He questioned the contractor’s approach to sodding the area.

Mr. Morera directed Mr. Goldberg to relay any deficiencies that he perceives to Mr. Paton so that the District can address those matters. He noted that Mr. Goldberg should report the issues with dogs, the homeless person, etc., to his neighborhood association and other entities that deal with those matters. Mr. Morera noted that the District cannot place a full-time, 24-hour person on site to monitor the area.

Mr. Goldberg believes that the “before” and “after” pictures included in tonight’s agenda reflect “paradise” in the before and “hurricane destruction” in the after pictures. He feels that, while the District’s work may protect residents from flooding, the residents in this area have already been “hit” because they no longer have the ability to sell their homes.

In response to Mr. Goldberg’s question, Mr. Paton stated that the project should be completed in June or July.

Discussion ensued regarding a fence installed by the neighborhood association and whether the fence can extend into the canal. Mr. Selchan indicated that he will follow up.

Regarding the sod issue, it was noted that the contractor replaced the sod a second time, at their expense. Mr. Donahue further discussed the regrading and sodding related to the Canal Z project.

Discussion ensued regarding the project's time frame and budgetary limitations. In response to a question, Mr. Donahue confirmed that he will contact the contractor to discuss using some of the fill from the excavation project to regrade and clean the Eagle Trace area, rather than hauling it off site.

Mr. Goldberg contended that the contractor's clearing work, in the ROW, was amateurish; stumps were left and the ficus are growing back from the stumps because the roots, etc., were not removed. He believes that grading will not resolve the problem.

Mr. Wrathell recalled that the roots were to be ground and the stumps "killed" so that they could not grow back. Mr. Donahue noted that, because that segment of the ROW is in the excavation project area, stump grinding was not required that close to the water. Mr. Morera stressed the need to fulfill the commitment. Mr. Selchan indicated that Staff is aware of the situation and many discussions have taken place; once Staff agrees on the best process, it will be brought before the Board and residents will be notified.

Mr. Morera referred to the temporary fencing along the excavation area and asked if it would be prudent to install it on the Eagle Trace side. Mr. Selchan was unsure of a reason to install a temporary fence on the Eagle Trace side, as no work is being performed there. Mr. Paton stated that a temporary fence would serve no purpose. Mr. Morera felt that a temporary fence could prevent an incident such as the young child that Mr. Goldberg spoke about. Mr. Selchan pointed out that the District has 22 miles of canals; it cannot be done.

Mr. Paton indicated that not all residents have the same "issues" as Mr. Goldberg because many areas were already "clean" or free of hedges, trees and foliage. Mr. Wrathell suggested that Staff have a plan by the next meeting.

Mr. Goldberg voiced his concern regarding statements about completing certain portions "if funding allows". He questioned if residents are "out of luck" if funding does not allow.

Mr. Wrathell clarified that his question was whether the banks would be delayed until the next section of canal was worked on; however, it appears that is not the case.

Mr. Gary Runge, a resident, voiced his belief that the contract that was awarded was for work from Coral Springs Drive to Canal KK. He asked if something changed.

Mr. Morera indicated that the contract was to complete work from Coral Ridge Drive to Coral Springs Drive. Regarding the area extending to Canal KK, Mr. Morera advised that this segment is not being addressed now; it will be completed at a later date, provided other aspects

fall into place, as anticipated. Mr. Runge asked if the bid price included that segment. Mr. Morera confirmed that the bid price did not include that segment.

Mr. Donahue stated that the bid project included all of Canal Z and Canal AA-BB; bids were higher than expected and the approval was for work from Canal KK to Coral Springs Drive. He noted concerns about issues on the West Outfall so he requested that this be put on hold until a new survey profile is obtained, which is expected within a few weeks. Mr. Donahue advised that, if no major problems are observed, they will consider putting this segment back in to the plan. He concluded that it was awarded but put on hold, subject to confirming whether there are issues in the West Outfall.

Mr. Runge stated that his concern is for the Westchester area.

Mr. Wrathell stated that, unfortunately, completing work in one (1) area, without addressing the West Outfall, does not solve the Westchester problems. He explained the need to start in a certain area to “unplug the drain”; starting in the other area would not have improved the situation. Mr. Wrathell noted that, unfortunately, the District has a limited amount of money available.

Mr. Runge voiced his understanding.

FIFTH ORDER OF BUSINESS

Update: Canal Z

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

Mr. Paton presented the ROW Clearing Summary. He indicated that the ROW component of Canal Z is completed, with a few minor issues remaining, such as the cleanup on the Eagle Trace side. Mr. Paton stated that the major work area, extending from Coral Springs Drive to Coral Ridge Drive, is fenced off and ready for excavation to commence. The ROW was cleared, with the exception of a few minor issues. The excavation contractor will clear the remaining stumps along the canal bank, which was part of the original plan.

Mr. Wrathell acknowledged that everyone knew that the ROW clearing project would impact the appearance of the ROWs; however, the issue was about the potential for the vegetation in the ROWs falling into the canals, during a major storm event and causing blockage in the canal. The objective was to open the ROWs so the District can maintain the canals, as well as ensure that the canals are free of debris, should there be a major storm event.

Mr. Donahue reviewed the “before” and “after” photographs and stressed that the changes now give the District access to the ROWs, where, previously, access was completely blocked.

Discussion ensued regarding shaving a portion of the bank, during the excavation process, to adjust the slope. Mr. Wrathell recalled that many believed the ROW clearing contractor was going to address the stumps. Mr. Donahue stated that, to hold the price down on the clearing, stump grinding was not required for the stumps within the dredging project portion of the bank. Mr. Selchan confirmed that all of the items that Mr. Goldberg spoke about fall within the area that will be addressed during the dredging portion of the project. Mr. Selchan stressed that Staff discussed this approach; it was not forgotten. Mr. Morera recalled that it did not make sense to pay a contractor to grind stumps that were going to be pulled out during the dredging project.

- **Canal Restoration Project Update [TD]**

Mr. Donahue explained the excavation processes that will be used in various sections. The first 800’, from Coral Ridge Drive, will be excavated “in the wet”, from the side. After that, the contractor will split the job into three (3), 1,500’ segments, and will use aqua barriers which will block the canal so it can be dewatered and excavation equipment will be placed in the canal. Mr. Donahue explained that each of the dewatered sections will take about six (6) weeks to complete. The contractor will work on the headwall concurrent with the excavation.

Ms. Heafy asked what is being done for the Westchester neighborhood and whether it drains better. Mr. Donahue explained that the reason for this project was the humps, along Canal Z, that create dams; the canal will be excavated to -1 elevation so that anything coming from the west will have a clearer, deeper and faster flow area. He stated that the water that builds up to the west will clear faster.

Mr. Morera indicated that he visited the work area and the supervisor expressed no concerns; the excavation project is no different than other projects that they have completed. The supervisor mentioned the possibility of bringing in an additional crew so work can begin on the headwall, simultaneously. Mr. Donahue stated that the contractor is very comfortable and has done this type of work many times.

- **Letter to Residents Regarding Construction Work [DP, TD] (*for informational purposes*)**

Mr. Donahue indicated that the letter was sent to residents on December 19, 2013. He reported that the contractor has been proactive in sending notices and emails to the homeowners explaining the process, particularly that some irrigation systems would be disconnected, during the project.

Mr. Donahue noted that the cable company was to work west to east; however, they are working east to west. Mr. Morera suggested that Mr. Donahue provide future contractors with “hands on” visuals of where the District wants work completed. Regarding cable lines, Mr. Donahue advised that the cable lines are being placed outside the fence, away from the work area. Mr. Paton added that Lanzo is a very professional, well run company. Mr. Morera asked to be notified of meetings with the contractor so he can attend, if he is available. Mr. Donahue indicated that a regular meeting schedule will be developed now that the project is underway.

SIXTH ORDER OF BUSINESS

Consideration of Wildlife Habitat ROW Policy

Mr. Wrathell recalled discussion about “grandfathering in” the current homeowners but that new owners would not be allowed to keep the portion of the wildlife habitat encroaching on the District’s ROW. Ms. Heafy disagreed and voiced her belief that an existing habitat could remain, with a new owner; however, new habitats could not be built in the ROW. Mr. Wrathell suggested considering this item at the next meeting.

This item was tabled to the next meeting.

SEVENTH ORDER OF BUSINESS

Approval of November 13, 2013 Regular Meeting Minutes

Mr. Morera presented the November 13, 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 November 13, 2013 Regular Meeting Minutes, as presented, were approved.

EIGHTH ORDER OF BUSINESS

Discussion: Newsletter

Mr. Paton presented the draft newsletter for the Board’s consideration. He noted that, with the exception of changing the year, the newsletter is ready to be finalized and sent.

Mr. Morera questioned if the meeting schedule should be changed, since the December meeting was cancelled. Mr. Wrathell suggested deleting it from the schedule.

Mr. Morera referred to the third sentence of the third paragraph of “From the President’s Desk”, which states “later this year”, which referred to 2013; he recommended modifying the statement to something more accurate, as “later this year” no longer applies.

Noting the length of time it took for this newsletter to be prepared, Mr. Morera asked Staff to begin work on the summer newsletter now, so that it can be sent in July or August; he was not pleased that a newsletter was not sent in 2013.

Mr. Prudhomme asked that his name be changed from “Dan” to “Daniel”, in the second line of “From the President’s Desk”.

NINTH ORDER OF BUSINESS

Notice of Landowners’ Meeting: March 12, 2014

Mr. Wrathell indicated that the Landowners’ Meeting, to conduct the Landowners’ Election, will be held on March 12, 2014. He advised that Ms. Heafy’s seat is up for election.

A. Election Instructions

This item was included for informational purposes.

B. Sample Official Ballot

This item was included for informational purposes.

C. Sample Landowners’ Proxy

This item was included for informational purposes.

TENTH ORDER OF BUSINESS

Supervisors’ Communications

There being no Supervisors’ communications, the next item followed.

ELEVENTH ORDER OF BUSINESS

Staff Reports

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

Mr. Malefatto indicated that he is filling in for Mr. Lewis and Mr. Capko. He reported that Mr. Lewis recently had several discussions with an attorney from the Auditor General’s

office, as part of the ongoing administrative audit. Mr. Malefatto felt that it is a rather routine process. He indicated that Mr. Lewis advised the Auditor General attorney regarding control of the District's right-of ways and canals and informed him that they are all either fee-simple or easements. Mr. Lewis discussed with Mr. Donahue providing the Auditor General with plats of record showing that the District owns and controls the right-of-ways. Mr. Lewis also briefed the Auditor General's attorney of the District's authority and responsibility to maintain the drainage facilities, as a 298 District. Mr. Lewis believes that the attorney was satisfied with the information provided.

Mr. Malefatto presented an executed agreement provided by the attorneys for CPAC Coral Springs, LLC, involving work that they are planning in the Canal U ROW.

Mr. Donahue recalled that the Board approved a permit for this project. It is on the northeast corner of Sample Road and Coral Springs Drive. The developer is planning to combine two (2) lots and the Board previously approved culverting a portion of Canal U. Mr. Donahue explained that District Counsel has been finalizing the easement agreement with the developer's attorney; major culvert maintenance will be the developer's responsibility.

Mr. Malefatto confirmed that the developer signed the easement agreement, although, they have not taken title to the property, yet. He suggested that the President execute the agreement now but with District Counsel holding the agreement until the developer receives title to the property. The Board agreed with Mr. Malefatto's recommendation.

B. Engineer: *IBI Group*

i. Permit Application Log

The permit application log was included for informational purposes.

ii. Permit Application Review

• 11530 W. Sample Road, Family Dollar Store

Mr. Donahue presented the permit application and his recommendation for the Board's review. He stated that the location is Sample Road and Coral Ridge Drive. The proposal is to demolish the current building and construct a new retail building with modifications to the adjacent parking area.

Mr. Morera discussed the location and water overflowing into the neighbor's backyard, when there is a heavy rain. He questioned if the District could ask the developer to improve drainage, as part of the construction process.

Mr. Donahue indicated that, as part of the permit approval, the developer will install exfiltration trenches underground so that there is no increase in flow off the site, to the system than currently exists. He pointed out the street drainage system on Sample Road and noted that it passes through that system and into the District’s canal. In response to Mr. Morera’s question regarding the easement, Mr. Donahue explained that the developer has drainage rights to the easement; however, the easement is on Publix’s property.

Based on his review, and subject to the special conditions set forth in the recommendation letter dated December 16, 2013, Mr. Donahue recommended that the District issue a right-of-way permit. Due to the property not being in close proximity to a District canal, Mr. Donahue recommended that the \$2,500 trash bond requirement be waived.

On MOTION by Ms. Heafy and seconded by Mr. Prudhomme, with all in favor, the 11530 W. Sample Road, Family Dollar Store, IBI Job #227961, right-of-way permit application, subject to the special conditions, as set forth in the IBI Group recommendation letter dated December 16, 2013, including waiving the \$2,500 trash bond requirement, was approved.

iii. Monthly Engineer’s Report: 11/06/13 to 12/04/13

This item was presented for informational purposes.

iv. Monthly Engineer’s Report: 12/04/13 to 12/27/13

Regarding the pump stations, Mr. Donahue reported that Mr. Selchan will conduct additional testing, during the next rain event.

Mr. Donahue stated that he is receiving pieces of the survey for the West Outfall canal and expects to provide recommendations to the Board at the next meeting. Regarding the Coral Springs Drive Bridge, Mr. Donahue stated that he is working with Broward County and provided them with the District’s dewatering schedule. The County is optimistic that they will be able to coordinate the bridge project with the District’s dredging project. In response to Mr. Morera’s question, Mr. Donahue confirmed that the requested letter was submitted and, while funding is always questionable, the County remains optimistic that their work can be completed within the District’s time frame.

Regarding the operational audit, Mr. Donahue indicated that information has been provided, as requested by the District Manager’s office.

Mr. Morera asked if there are engineering drawings for the headwall that will be installed. Mr. Donahue indicated that it was engineered and designed in-house, it was permitted by Broward County and Lanzo provided the drawings for the slide gates, which are currently being reviewed. Lanzo is coordinating with the concrete vendor to determine if this will be a “poured in place” headwall or “precast”. Mr. Morera asked for a rendering so that the Board knows what it will look like. Mr. Donahue presented a slide and discussed the headwall and slidegate plans. He explained that the section on the east side of Coral Springs Drive will drain quicker than the rest of the West Basin and, once it reaches a manageable level, Mr. Selchan can lower the slidegates and slow or stop the flow, which will allow the flow from the West Basin to flow more freely to the Sunshine Pump Station 2.

C. Engineering Consultant: *John McKune*

There being nothing to report, the next item followed.

D. Field Supervisor: *Cory Selchan*

Mr. Selchan recalled that Mr. John Whittle, a resident, contacted him regarding the Canal A conditions, where overgrowth and invasive plants have blocked the District’s access and prevented staff from maintaining the area. Mr. Selchan reported that Mr. Whittle’s neighbor’s dog fell into the canal and the neighbor subsequently fell in trying to rescue the dog. Mr. Selchan presented photographs of the area after staff was able to treat it. He noted that the only reason staff was able to access the area was because several residents allowed them access between their homes. Mr. Selchan advised Mr. Whittle that he would remind the Board of the issues along Canal A.

Mr. Selchan stressed that the Board must revisit the issue of Canal A, in the near future, and develop a plan to remove the obstacles in the District’s ROW. Mr. Morera agreed that the canal should be addressed and asked if the District should try to determine the costs.

Mr. Selchan stated that the components of the work include removal of vegetation, dredge work needs to be completed in the waterway and the mitigation costs that must be paid to the City of Coral Springs when trees are cut down. He explained that the mitigation costs are difficult to determine, as the City Forester appraises the trees on an individual basis.

In response to Mr. Morera’s question, Mr. Selchan confirmed that the situation is exactly the same as with Canal Z; the residents on the east side are not District residents but their vegetation is what is encroaching on the District’s ROW. Mr. Morera asked if the District can send a letter notifying Canal A property owners that, at a future time, vegetation in the District’s

ROW will be removed and new plantings must be removed. Mr. Prudhomme agreed to this as a good first step. Ms. Heafy cited the District's most recent accommodation allowing those wildlife habits that encroach on District property to remain, as an example of the District not remaining firm in its position about requiring the ROWs to be accessible.

Discussion ensued regarding the water depth of Canal A and Mr. Selchan noted that the water level is very low and doubted that the dog or property owner were in danger of drowning.

Mr. Wrathell voiced his concern that a letter could be largely ignored until the District is actually prepared to commence a project along that canal. Mr. Selchan felt that a letter would upset those residents, prior to the District having work planned for the area. Mr. Morera voiced his understanding but questioned how the District can stop residents from planting in the ROW, if they do not know it is not allowed. Ms. Heafy believes that many residents know they should not plant in the ROW. Mr. Selchan advised that the large growth is inhibiting access; it is not new planted vegetation, which can easily be driven over. Mr. Selchan noted that the canal also contains illegal fences that block access.

Mr. Wrathell pointed out that, if the District wants to remain focused on Canal Z, as the main drain canal, and try to alleviate drainage issues in the Westchester and West Basin, almost all of the available funds must be geared towards that project; there is not much left to address Canal A. He suggested that, if the District sends letters to residents, Mr. Whittle should take the lead, as a resident, to push people not to plant in the ROW.

Mr. Selchan stated that Mr. Whittle is very active in Coral Springs and is willing to take an active role in this matter; however, he believes that this role involves addressing the City Commissioners and the District Board, not necessarily residents.

Mr. Wrathell reiterated that, if the District commences a canal clearing project on Canal A, it will encounter exactly the same issues that arose during the Canal Z project; additionally, if the banks are cleared, those residents will want something done about the steep slopes on the box canal. He voiced his concern that sending a letter, without a plan in place, is not effective.

Mr. Wrathell asked Mr. Selchan if he can continue working with Mr. Whittle and other property owners to allow the crews to traverse their property so that the District can maintain, as necessary. Mr. Selchan stated that he is okay with the concept, as long as the Board approves, and reminded the Board that this process would require employees to be on private property. Mr. Wrathell felt it reasonable to ask certain residents to grant the District access across their property so that staff can maintain the canal, which should alleviate some issues.

Discussion ensued regarding vegetation growing in the canal.

Mr. Prudhomme questioned why the District would be considering addressing the banks along Canal A, when the issue was the growth in the canal giving the appearance of land. He suggested using a net to skim the water to filter the growth out of the water.

Mr. Selchan estimated that removing the growth from Canal A would take four (4) crew members an entire month. In response to Mr. Prudhomme's comment, Mr. Selchan explained that crossing private property to walk the bank and spray is not the easiest approach; it would be easiest if the crew could access the canal and use a boat to spray, taking only about two (2) hours, instead of days or weeks. Mr. Prudhomme recommended crossing property to spray and letting the vegetation die. Mr. Selchan stressed that crews cannot go down the entire bank to do as Mr. Prudhomme suggests unless every property owner grants access through their yard. Mr. Prudhomme questioned why the District cannot find a location to enter with the boat. Mr. Selchan indicated that there are no such access points; the canal runs from Sample Road to Wiles Road, with no breaks in between.

Mr. Wrathell suggested that Mr. Selchan select strategic points, along the canal, and seek permission to cross their property to spray.

Mr. Selchan reiterated that he brought this to the Board's attention because he promised Mr. Whittle that he would. He will continue using every available avenue to keep the canal and banks maintained. He stressed that the District cannot forget about this area.

Discussion ensued regarding the potential for creating issues, if a letter is sent to Canal A residents. Mr. Morera did not understand the difficulty in communicating with residents to educate them of what should not be happening. He believes that the District should inform residents that it is wrong, so residents cannot say they did not know they should not plant in the ROWs.

Mr. Wrathell continued his position that a letter, absent a plan, would probably not be effective but indicated that Management will send letters, if the Board wishes.

Mr. Prudhomme asked Mr. Malefatto to comment on the District's liability if it knows of the issue but continues to allow the canal to look like land and something bad occurs, such as a drowning.

Mr. Malefatto indicated that, in this case, the matter was addressed. He stated that the District is always at risk that a lawsuit will be filed if an accident occurs, regardless of who is

truly responsible. Mr. Malefatto stressed that the District could be sued even if the area was regularly maintained.

Discussion ensued regarding the design of box cut canals. Mr. Selchan pointed out that there is little that can be done with the steepness of box cut canals; the only option is to culvert the canal, which is a multi-million dollar endeavor. Mr. Selchan noted that Canal A residents would not be pleased with that option either, as they paid to live on a canal.

Mr. Wrathell felt that the prudent approach is for Mr. Selchan to work with residents to access the canal to spray and maintain.

Mr. Morera agreed to Mr. Wrathell's suggestion, pending District Counsel's confirmation that the District will not be liable, when crossing private property. He believes that the District must ensure that property owners sign a waiver allowing the District to access their property and not hold the District liable for damage beyond what can be repaired.

Mr. Malefatto stated that the District does not need an easement from the property owners; a letter of consent is sufficient.

Regarding the effectiveness of a letter, Mr. Selchan noted that a property owner, who receives the District's newsletters containing information about this, just installed a fence and plants down to the water line. Mr. Morera asked what will be done about the illegal fence. Mr. Selchan indicated that all parties will be informed of the situation, including the property owner, Code Enforcement, District Counsel and the District Engineer. District Counsel and/or the District Engineer will notify the property owner of the issue; the best course of action is for the District to address it now, rather than waiting for Code Enforcement.

Mr. Morera reiterated his belief that the District should inform residents of what they cannot do. Mr. Wrathell indicated that a draft flyer will be presented, for the Board's review, at the next meeting. District Counsel will work with Mr. Selchan to develop a consent document for property owners to sign, allowing access across their property. Mr. Selchan suggested using door hangers, rather than a mailed letter.

The Board agreed to door hangers.

Discussion ensued regarding whether the dog that entered the canal was on a leash, pursuant to the City's ordinance.

Mr. Selchan reported that the District received 7" of rain since the November meeting.

Mr. Selchan indicated that great progress has been made along Canal Z; he advised the Board to not allow comments from a small number of unhappy residents, who did not get what

they wanted, to derail the project or make the Board believe that some matters are not being addressed or resolved.

E. Manager: Wrathell, Hunt & Associates, LLC

i. Approval of Unaudited Financial Statements

- *as of October 31, 2013*
- *as of November 30, 2013*

Mr. Wrathell presented the Unaudited Financial Statements as of October 31 and November 30, 2013 and the corresponding unreconciled cash balances. He noted that October began the new fiscal year. Mr. Wrathell pointed out that an adjustment must be made to bring the “Disaster recovery” fund balance amount to \$1.2 million; accounting must shift “Unassigned” fund balance to “Disaster recovery”.

Mr. Wrathell indicated that the majority of the “General Fund” money is in the FineMark ICS account; some money is in the Broward Bank of Commerce and the “Operating” account is at Community Bank of Broward. He advised that some assessment collection revenues were received in November, which is quick. In response to Mr. Morera’s question regarding the “Insurance” expense line item, Mr. Wrathell confirmed that the expense is for the liability and property insurance that is paid at the beginning of the fiscal year.

Ms. Heafy recalled that the District will not participate in the Florida Association of Special Districts (FASD) this fiscal year and asked if the funds budgeted for that could be shifted to the “Disaster recovery” line item. Mr. Wrathell recommended against amending the budget for small line item matters; however, if the District is under budget, the funds could be added to the fund balances and money can then be shifted.

Mr. Wrathell noted that the District is earning more interest income than anticipated.

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

ii. NEXT MEETING: January 8, 2014 at 6:30 P.M.

Mr. Morera clarified that the next meeting is scheduled for February 12, 2014.

Regarding the operational audit, Mr. Wrathell indicated that, at the time the auditors concluded their work at the District Manager’s office, the only matter at issue seemed to be that

the District did not have a "Fraud Policy". He explained to the auditors that there is no statutory requirement for the District to have a "Fraud Policy". Mr. Wrathell noted that, since then, he has been swamped with requests for information from various people in Tallahassee, which leads him to believe the "higher ups" are behind the questions. He noted the example that, although the property appraiser's website clearly shows that the District owns the ROWs, the Auditor General is still questioning whether the District has a right to maintain its own property.

Mr. Wrathell stated that the "exit interview" is scheduled for this Friday and the Auditor General's office is still requesting more information. He admitted surprise at this second wave of requests. In response to a question, Mr. Wrathell confirmed that he found nothing material to be at issue.

Mr. Wrathell noted questions such as why the District does not have invoices for District Counsel's copy and travel charges. He advised that District Counsel's contract does not require backup for those items and the billed costs have been in line with what would be expected. The Auditor General also deeply questioned the request for quotes (RFQ) process used to select the District Engineer, which is required by statute. Subsequently, they asked about the District Counsel and District Manager selection process, which followed essentially the same process; however, Mr. Wrathell reminded the Auditor General that there is no legal requirement to go out to bid for District Counsel or District Manager Services. He explained that the District could simply select someone, with no formal process. Although the District exceeded the statutory requirements, the Auditor General still requested documentation and information that was not required by statute. Mr. Wrathell pointed out that the Auditor General's staff is trying to find fault with things that the District did that exceeded the statutory requirements and were not required to be done at all. He stated that the most recent request was clarification of Mr. Selchan's title.

Ms. Heafy asked if Senator Ring is spearheading the Auditor General's efforts, since he wants to eliminate all special districts. She questioned if this is the only special district going through the process.

Mr. Wrathell advised that these types of audits are conducted on other districts; however, the coincidence and timing of the Auditor General's audit of the District is too strong, given what was occurring between the District and the City of Coral Springs. He felt that the timing was uncanny. Mr. Wrathell assured the Board that he is not concerned and Management will vehemently fight anything that the Auditor General brings up.

Mr. Wrathell noted that the most recent issue relates to where the District buys fuel and when it was bid. He explained that the District is not required to bid fuel; it can buy gas at any gas station.

In response to Mr. Morera's question, Mr. Malefatto voiced his understanding that Mr. Lewis has been very involved in the entire process.

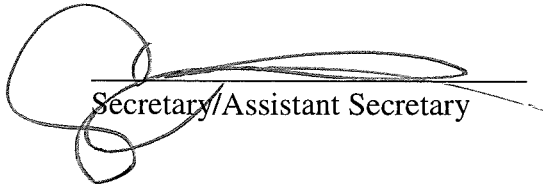
Mr. Wrathell suspected that the Auditor General found nothing significant during the initial audit phase, which is the reason for the second wave of documents and information requests.

TWELFTH ORDER OF BUSINESS

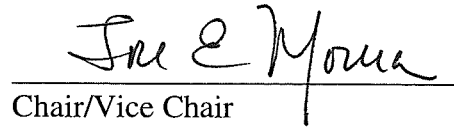
Adjournment

There being nothing further to discuss, the meeting adjourned at 9:00 p.m.

**On MOTION by Ms. Heafy and seconded by Mr. Prudhomme,
with all in favor, the meeting adjourned at 9:00 p.m.**



Secretary/Assistant Secretary



Chair/Vice Chair