

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

A Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, July 9, 2014, at 6:30 p.m., at Sartory Hall, located in Mullins Park, 10150 NW 29 St., Coral Springs, Florida 33065.**

Present at the meeting were:

| | |
|------------------|----------------|
| Joe Morera | President |
| Daniel Prudhomme | Vice President |
| Jim Maguire | Secretary |

Also present were:

| | |
|-----------------|------------------------------------|
| Craig Wrathell | District Manager |
| Doug Paton | Wrathell, Hunt and Associates, LLC |
| Rick Woodville | Wrathell, Hunt and Associates, LLC |
| Terry Lewis | District Counsel |
| Wilson Way | IBI Group, Inc. |
| Patricia Ramudo | IBI Group, Inc. |
| Nico Kanelidis | IBI Group, Inc. |
| Cory Selchan | Field Superintendent |
| John McKune | McKune & Associates |
| Scott Nebrasky | Resident |
| Jacque Leotaud | Resident |

FIRST ORDER OF BUSINESS

Call to Order

Mr. Morera called the meeting to order at approximately 6:31 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.

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. Scott Nebrasky, a resident, asked about the status of Pump Station #3. Mr. Way indicated that this item will be addressed during his report, later in the meeting.

Mr. Jacque Leotaud, a resident, recalled that, last year, he inquired about building a fence extending to the water. He obtained approval from the City to construct the fence. Mr. Leotaud stated that he subsequently spoke to Mr. Selchan who advised him that “it should be okay”. He hired a contractor, obtained a permit from the City and the fence was constructed with gates on both sides to allow access. Mr. Leotaud noted that, in March, he received a letter from the District advising him that his fence is illegal. He provided Mr. Way with a copy of his permit; however, he was notified again that the fence is illegal. Mr. Leotaud asked what he can do.

Mr. Way confirmed that Mr. Leotaud provided a copy of his survey and the permit issued by the City; however, the permit was specifically for construction of a fence on Mr. Leotaud’s lot; it did not relate to the fence extending to the water or into the District’s right-of-way (ROW). Mr. Way stated that he notified Mr. Leotaud of the Board’s decision not to allow fences in the District’s ROW and that the permit was not issued by the District. He explained that the fence that was constructed differs from the fence for which the City issued the permit. Mr. Way noted Mr. Leotaud’s desire to discuss this matter with the Board.

Mr. Selchan indicated that the District does not allow fences in its ROWs; therefore, the only solution would be for Mr. Leotaud to place the fence and vegetation on his property.

Mr. Leotaud voiced his understanding but contended that, when he inquired, everyone was “nonchalant” about his inquiry. In response to Mr. Morera’s question, Mr. Leotaud stated that the fence was installed in November but the trees were planted the previous March.

Mr. Morera expressed his belief that the person Mr. Leotaud spoke to was not from the District. He explained that the District is currently in the process of clearing; therefore, it would not circumvent the policy by allowing property owners to place obstructions in ROW. Mr. Morera stated that the City does not give residents permission to construct or plant items outside of their property line. He advised that the fence and vegetation must be moved.

Mr. Leotaud pointed out that the trees are growing and cannot be moved. Mr. Morera suggested contacting a landscaper to relocate the trees. Mr. Morera offered staff’s assistance in

determining Mr. Leotaud's property line. Mr. Leotaud asked if his fence must be removed, since it has gates. Mr. Morera advised that the only way a variance can be granted is if District staff deems that the fence is not an obstruction to their ability to manage the canal bank; staff will make a determination during the site visit.

FIFTH ORDER OF BUSINESS

Update: Canal Z

- **ROW Clearing Summary**

Mr. Way presented photographs of the work being completed. He stated that the contractor is proceeding with the south side. Mr. Way anticipated that the project will be completed soon. He advised that the end wall is approximately 95% completed, the gates are installed and the system is functioning. Mr. Way noted that minor modifications are necessary; however, they should not cause any delays. He surmised that the project is substantially completed.

- **Canal Restoration Project Update**

Mr. Way confirmed that great progress has been made.

Mr. Morera recalled that homeowners were concerned about dust and lack of irrigation water; however, the recent rains alleviated those issues.

Mr. Morera asked if the contractor is working on the finger canals. Mr. Way indicated that work on the finger canals should begin within the next week. Mr. Way recalled that the contractor and the District have a difference of opinion regarding whether the finger canals were part of the original contract; the District believes that they were but the contractor disagrees. Mr. Way noted that he and the contractor agreed to "figure it out" later and not cause a delay in the project.

Mr. Morera asked if work commenced on the portion nearest to Coral Ridge Drive. Mr. Selchan reported that work was scheduled to commence today; however, he stopped the contractor from proceeding. Mr. Selchan explained that it was necessary to pump water out of the canal, due to the height of the water level; if the water level decreases, the contractor will be allowed to "bench across" Canal BB tomorrow. Mr. Morera asked about the depth of the cross-section levels and whether the contractor is reaching -1. Mr. Way stated that the most recent as-builts are "right on the elevation"; the contractor is "doing a good job" on the excavation and sloping. In response to Mr. Morera's question, Mr. Way confirmed that the desired width is

being met and the slope is going from 4:1 to 3:1, to the water. Mr. Morera asked if the south side of the canal was excavated. Mr. Way replied no and explained that it was excavated according to the plans; the canal was not “over excavated”. Mr. Morera questioned if the canal width was to increase, as part of the project. Mr. McKune confirmed that it is wider. Mr. Selchan indicated that an additional 2’ of rock must be pulled from the edges, which should add at least 1”.

Mr. Selchan referred to the gates and advised that they are being used; one gate is up, today, to drain water. Mr. Prudhomme asked if this process impacts the canal next to Country Club Tower, which dropped significantly, this afternoon. Mr. Selchan replied affirmatively and explained that Country Club will drop first, followed by Westchester; it will appear very low for a few days but will subsequently level out.

SIXTH ORDER OF BUSINESS

Consideration of Florida Association of Special Districts (FASD) Membership

Mr. Paton presented the current membership dues, which will be \$4,000 for the first year and \$3,000 for the second year. He confirmed that the information in the agenda is outdated.

Mr. Lewis noted that the information in the agenda reflects discounts dating back to the recession. He noted that, for several years, the Florida Association of Special Districts (FASD) was able to offer discounts, as it had a comfortable reserve. Mr. Lewis pointed out that the current dues are reflective of the rates prior to the discounts offered during the recession; it is not an “increase”.

Mr. Morera indicated that he attended the recent annual FASD meeting, which was very educational. He advised that the District may be able to access grants for various projects. Mr. Morera was in favor of renewing the District’s FASD membership.

Mr. Lewis disclosed that he serves as general counsel to FASD and drafted the incorporation documents. He stated that FASD concentrates on educating its members; members meet and share information. Mr. Lewis noted that FASD works continuously on legislative matters and updates its members of legislative changes and changes that impact districts.

Discussion ensued regarding whether the District would “get its money’s worth” out of membership. Mr. Morera voiced his opinion that FASD offers valuable resources and information. Mr. Lewis discussed the programs offered for various levels, including staff, management and Board Members.

On MOTION by Mr. Prudhomme and seconded by Mr. Maguire, with all in favor, membership in the Florida Association of Special Districts, commencing immediately, was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Fraud Policy

Mr. Wrathell recalled that this item arose as a result of the Auditor General’s operational audit. He explained that, while the auditors found no instances of fraud, the District received a finding because it does not have a formalized fraud policy. Mr. Wrathell stated that the District’s position was that it followed federal and state laws; however, the auditor’s point was that the District did not have a formalized “whistle blower” policy.

Mr. Lewis stated that this policy was generated due to the audit finding. He noted that an “anti-fraud” policy is rare for governmental entities; therefore, much of the verbiage of the proposed policy was developed from corporate fraud policies.

Mr. Lewis reviewed the draft “Sunshine Water Control District Fraud Policy”. He explained that the policy identifies items or irregularities that should be reported to the District Manager and District Counsel and, if necessary, to the Board, for disciplinary action. Mr. Lewis advised that, if these types of issues arise, they generally involve contractors or consultants. He recommended that, once the Board adopts the policy, Management should notify the Auditor General.

Mr. Lewis asked if the District has a comprehensive policy manual, which sets forth the District’s policies. Mr. Wrathell stated that the District’s policies are kept in the District’s records. Mr. Wrathell explained that, when a policy is adopted, it goes into effect and is kept in a centralized repository; however, a separate policy book was not created. Mr. Wrathell clarified that the District has an employee manual that is distributed to new employees and suggested including the Fraud Policy in it.

On MOTION by Mr. Maguire and seconded by Mr. Prudhomme, with all in favor, the Sunshine Water Control District Fraud Policy, as presented, was approved.

EIGHTH ORDER OF BUSINESS

**Continued Discussion: Fiscal Year
2014/2015 Proposed Budget**

Mr. Wrathell recalled discussion, at the last meeting, regarding increasing the assessment amount to target no more than a 3.5% increase, over the current fiscal year. He referred to Page 3, which reflects the 3.5% increase. Mr. Wrathell explained that a 3.5% increase is not significant and only generates \$43,250, as represented on the “General infrastructure” line item, on Page 2. He stated that the 3.5% increase equates to an increase of approximately \$2.50 per door front. Mr. Wrathell indicated that, if the “General infrastructure” line item is removed, assessments would decrease to about \$213 per unit, which would be a \$4.50 to \$5 increase over Fiscal Year 2014, resulting in an overall increase of approximately 2%. Mr. Wrathell felt that the amounts are not material.

Mr. Wrathell noted that the FASD membership requires increasing the “Dues, subscriptions, etc.” line item, on Page 1, from \$2,875 to at least \$4,175, or possibly \$5,000. Mr. Morera asked if the “Legal advertising” and the “Website” line items, on Page 1, were already adjusted. Mr. Paton confirmed that those line items were adjusted. Mr. Wrathell recommended reducing the “Contingencies” line item to offset the increase in the “Dues, subscriptions, etc.” line item.

Mr. Wrathell advised that the proposed budget remains largely unchanged.

NINTH ORDER OF BUSINESS

**Approval of June 11, 2014 Regular
Meeting Minutes**

Mr. Morera presented the June 11, 2014 Regular Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION by Mr. Maguire and seconded by Mr. Prudhomme, with all in favor, the June 11, 2014 Regular Meeting Minutes, as presented, were approved.

TENTH ORDER OF BUSINESS

Supervisors’ Communications

Mr. Prudhomme recalled Mr. Leotaud’s fence issue and Mr. Morera’s comment that the only way a variance can be granted is if District staff deems that the fence is not an obstruction

to their ability to manage the canal bank and that staff will make a determination during the site visit. He felt that the comment might lead Mr. Leotaud to believe that there is hope of keeping the fence and trees. Mr. Prudhomme pointed out that the comments might place Mr. Selchan in a precarious position with the resident.

Mr. Selchan agreed with Mr. Prudhomme and stated that his position is that the Board sets the policy and staff enforces it. He questioned how residents came to believe that, by addressing their issues to the Board, the Board would give them what they want. Mr. Selchan stressed that, if consideration could be given, it would have been given during the application process. He noted that the site visits are usually related to a resident seeking a variance from the District's policies, which generates attendance.

Mr. Way clarified that the intention of his letter was not to have Mr. Leotaud attend the meeting; the letter notified him that there was "no chance", based on District policy. Mr. Leotaud pursued the issue and attended the meeting on his own accord.

Mr. Way pointed out that these types of issues will continue, as he foresees violations on canals with planned future work. He asked how to respond to resident questions that arise when they receive the letter advising them that their fence must be moved.

Mr. Wrathell noted that, based on its width, the canal that Mr. Leotaud lives along has no chance of qualifying for the 10' buffer that was afforded to residents along Canal Z. He recommended showing those residents the Board's policy and explaining that their particular canal does not qualify for a variance.

Mr. Prudhomme reiterated that Mr. Leotaud should not have been given false hope, tonight.

Mr. Lewis asked if the District could relocate Mr. Leotaud's plants. Mr. Selchan replied no and explained that the District does not improve private property. Mr. Selchan indicated that the District can remove the vegetation and fence, if the resident chooses not to do it. Mr. Wrathell suggested providing Mr. Leotaud with 30 days to remove or relocate his fence and vegetation. Mr. Selchan and Mr. Paton advised that Mr. Leotaud was already given 30 days. Mr. Way recommended informing Mr. Leotaud that he will be billed, if the District incurs costs to remove the fence and vegetation. Mr. Paton indicated that the letter specified that removal would be at the property owner's expense.

Mr. Maguire pointed out the great progress on Canal Z, over the past month.

Mr. Maguire inquired about the landscaping discrepancy with the contractor.

Mr. Way recalled that he sent a certified letter to Superior Landscaping and Lawn Service, Inc., (Superior) informing them of the District's intention to submit final payment for the work performed. The letter provided great detail of the amount owed to Superior. Mr. Way advised that he received no response to his letter. In response to Mr. Lewis' question, Mr. Way indicated that Superior believes that they are owed \$30,000 and the District is offering to pay \$15,000. Mr. Way explained that he arrived at the \$15,000 figure, partially based on unit costs; he informed Superior that, if they could document other work that was performed, payment would be made for the additional work.

Mr. Wrathell asked Mr. Way to forward his letter and Superior's invoice to Management for the District's records. Mr. Way noted that he received a letter from Superior's bonding company, which he will likely respond to unfavorably. Mr. Wrathell suggested notifying the bonding company that this is still an open matter and providing them with a copy of the letter of dispute. Mr. McKune recommended that Mr. Way call Superior to notify them of his intention to reply negatively to the bonding company's inquiry, as it may motivate Superior to settle the matter.

Mr. Morera reiterated that he attended the FASD conference and noted that he met a representative of MWI. Mr. Morera asked if the pumps are functioning properly and if the heat and vibration issues were resolved.

Mr. Way stated that he obtained a \$6,000 proposal from an electrical contractor to address the heat pump issue. He explained that the heat pumps were wired correctly but are consistently running. Mr. Selchan would prefer to be able to regulate when the pumps run.

Mr. Selchan noted vortexing and other issues, at the pump stations, which are not related to the pump manufacturer. He confirmed that the issues with the actual pumps were resolved; however, other issues remain. Mr. Selchan detailed the rewiring solution to the other issues.

Mr. Lewis advised that the work can be completed through a change order. If the work cannot be completed through a change order and quotes are needed, Mr. Lewis instructed Staff to document the quotes. Mr. Lewis clarified that, if the contract was completed, quotes would be necessary.

Mr. McKune pointed out that the \$6,000 quote was obtained from the contractor that performed the original electrical work. He speculated that an outside contractor would not

understand the scope of work, which might require more work at a higher price. Mr. McKune also felt that an outside contractor might underbid the work, without understanding it and the District could receive inferior service.

Discussion ensued regarding the scope of work and the proposed cost.

Mr. Morera summarized that the heat pumps were wired according to the contract specifications; however, regarding the operation of the pump station, Mr. Selchan identified an issue that he would like to correct, which involves rewiring the system to improve the safety and longevity of the equipment.

On MOTION by Mr. Maguire and seconded by Mr. Prudhomme, with all in favor, the Current Connections, Inc., proposal, in a not-to-exceed amount of \$6,100, for electrical rewiring related to the heaters for safety and preserving the longevity of the system, was approved.

ELEVENTH ORDER OF BUSINESS

Staff Reports

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

Mr. Lewis distributed a draft resolution related to change orders. He explained that it limits change orders to more than \$100,000 and provides conditions under which a change order can be executed by the District Engineer, in consult with the District Manager and the Board President. Those change orders would be ratified by the Board, at the next meeting. Mr. Lewis noted that a special meeting could be held between regular meetings to address emergency expenditures that might exceed \$100,000.

Mr. Morera pointed out that the resolution states that the District has 16 miles of canals; the number should be 22. Mr. Lewis confirmed that he will revise the resolution to read “22 miles”, along with changing the date to the next meeting date.

Mr. Lewis recommended consideration of this resolution at the next meeting.

Mr. Lewis and Mr. Wrathell explained that this resolution arose from the Auditor General’s request that the District have a formalized policy dealing with change orders.

B. Engineer: *IBI Group*

i. Permit Application Log

The permit application log was included for informational purposes.

ii. Monthly Engineer’s Report: 6/5/2014 – 7/1/2014

This item was provided for informational purposes.

iii. Map Detailing Future Work

This item was not addressed.

iv. Recommended Projects List

- **West Outfall Projects**
- **Remainder of Canal Z**
- **Canal A**

Mr. Way indicated that \$100,000 was budgeted for work on Pump Station #3, for demolition and aesthetics. Since that figure was set, it was determined that a pump motor should be installed to increase drainage abilities in the area. Mr. Way advised that Pump Station #3 has not operated since 1995. He recommended proceeding with demolition of the building, installing a wall and fence and addressing the long-term issue of installing a pump motor so that the pump operates and drains as originally intended. Mr. Way recalled that the Board previously authorized him to obtain bids for the project. The plans are nearly prepared, bids will be obtained and presented to the Board, in the near future.

Mr. Wrathell stated that, according to Mr. Selchan, the pump facility is not necessary; therefore, it makes sense to decommission the building. He indicated that a floating pump system would be better, going forward.

Mr. Selchan explained the design of Pump Station #3 and noted that the District is moving away from that type of pump system design. He detailed the benefits of the floating pump or lift station type of system; the pump operates depending on the water level. Mr. Selchan advised that, with the different type of system, the pump house structure, concrete pad and fuel tank are no longer necessary. He stressed the need to remove the Pump Station #3 building structure, as it is an attractive nuisance; it can be replaced with an electrical panel concealed with bushes.

Mr. Maguire expressed his belief that the Board agreed to this project last month. Mr. Way stated that he hoped to have presented the costs for the entire project at today’s meeting and confirmed that he will put the demolition portion of the project out for bid now. Mr. Selchan recalled that the plan was for a single contractor to complete the entire project; however, he agrees that the demolition work should proceed, while the plans are being finalized. Mr. Morera

concurrent with Mr. Maguire that he believed that the Board approved this last month and was expecting quotes this month. Mr. Way stated that he was trying to have the work under one proposal, using a single contractor.

Regarding the proposed work, Mr. Selchan cautioned against the concept that, because Pump Station #3 has not operated since 1995, the work is not necessary. Mr. Morera voiced his understanding. In response to a question, Mr. Selchan confirmed that the proposed changes will not impede drainage, as it currently stands.

On MOTION by Mr. Maguire and seconded by Mr. Prudhomme, with all in favor, authorizing the District Engineer to obtain bids for demolition of Pump Station #3, was approved.

Mr. McKune noted that, depending on the bid requirements, the bids might not be received in time for consideration at the next meeting. Mr. Way felt that there was no required length of time for obtaining bids. Mr. Lewis advised that statutes do not require competitive bids for construction projects under \$300,000.

Mr. Way presented slides of canal banks and an area where he wants to shape the canal bank to a 3:1 slope, remove stumps, reconnect irrigation and sod. He obtained two proposals. Mr. Way recalled that the original contract scope included work from Coral Ridge Drive to Canal KK; however, that portion was pulled from the contract. He speculated that, with the cost savings realized from removing that work from the original contract, he could hire a new contractor to complete the previously discussed work and the work from Coral Ridge Drive to Canal KK, which could result in cost savings.

Mr. Morera asked if these combined projects will be put out to bid, as a separate project. Mr. Way confirmed his recommendation to bid the project, as one. Mr. Wrathell asked about the potential cost. Mr. Way indicated that two quotes were obtained; however, he wants to further clarify the quotes, as one was \$502,000, which was three to four times more than the other. Mr. Way voiced his belief that the cost would be approximately \$175,000. Mr. Morera stress that he wants the specifications to be clear, so that there are no misunderstandings regarding the scope of work; he wants all future contractors to fully understand the scope of work, the requirements of the job and what the finished product should be, based on the District's needs. Mr. Morera stated

that he does not want the Board to be asked to consider contracts that will later result in change orders, except when an unknown matter arises. Mr. Wrathell pointed out that the bond funds will be depleted relatively soon; after which, funds must come from the budget line items. Discussion ensued regarding future budgeting, once the bond funds are depleted, and potential sources of funding.

Mr. Way asked about prioritizing projects.

Mr. Selchan recommended that, once the Canal Z project is completed, work on the Coral Ridge Drive to Canal KK should be completed, as it was “promised” to residents.

Mr. Way asked if the West Outfall work should be completed. He recalled a previous quote of \$1.2 million to remove silt and reshape the canal banks. Mr. Way obtained another quote for \$700,000.

In response to Mr. Morera’s question, Mr. Selchan advised that this canal bank has more ROW space than any other location. Mr. Way felt that the District should consider which trees to remove. Mr. Selchan clarified that the goal is to clear the ROW. Mr. Way stated that, if the District wants to clear the ROW, the cost must be considered, as it will impact the overall cost of the project.

Mr. Wrathell preferred to complete demolition of Pump Station #3 and the Canal Z project during the current fiscal year, as funds were budgeted for those projects. He acknowledged that the West Outfall project is important; however, if the District wants to address the ROWs, he and Mr. Selchan believe that it makes sense to tackle a manageable portion of the canal, rather than the entire area. Mr. Wrathell recommended spreading projects over time.

Mr. Morera asked Mr. McKune how to separate projects to avoid overlap. Mr. McKune and Mr. Selchan recommended scheduling projects in logical segments, in order to avoid driving over areas that were previously repaired or performing work that could destroy previously completed work.

Mr. McKune felt that the most beneficial project would be to complete work at and immediately north of the pump station; there are various options, which range from inexpensive too expensive. He stated that a portion of that work would impact the pump station operation and greatly benefit the District.

Mr. Way recalled that Mr. Selchan would like to complete a project along approximately 4,000 feet of Canal A. The project involves removing vegetation from the canal bank, followed by cleaning the canal, in the future. Mr. Way plans to present a proposal at the next meeting. Discussion ensued regarding the condition of Canal A. Mr. Selchan reported that residents are becoming increasingly agitated with the condition because no maintenance is being performed. Mr. Selchan pointed out that the Board must determine if the District will clear both sides of the canal or how it will address the issue. Mr. Selchan noted that tensions may rise if only one side is addressed. Mr. Way proposed completing work on the east side of the canal.

Mr. Maguire asked if any Canal A residents removed their encroachments. Mr. Selchan was not aware of any encroachments being removed; in general, feedback was from residents without encroachments and those who are unhappy with the encroachments. Mr. Selchan noted that residents also begged the District to leave the trees on the other side of the canal, as some properties on the other side are not maintained.

In response to Mr. Morera's question, Mr. Paton indicated that 60 homes are impacted; the homes on the east side of the canal are not in the District; however, many have encroachments in the District's ROW. Mr. Morera questioned if this project could be completed in the second half of Fiscal Year 2015. Mr. Wrathell pointed out that the West Outfall project could consume all of the funds budgeted for Fiscal Year 2015 and presumed that it is a higher priority project. Mr. Selchan agreed that the West Outfall project is high priority; it makes no sense to have completed the new pump stations and to not address the West Outfall. Mr. Way estimated a cost of \$1 million to complete the West Outfall project. Regarding completing the project in phases, Mr. Way advised that, if the District excavates deeper, in certain areas, the costs will increase. Mr. Way indicated that he should be able to provide more accurate cost figures, in the future.

Mr. Morera discussed the responses to the Canal A door hangers and observed that property owners have not taken the initiative to clear the areas. He suggested advising residents that the District cannot spray and maintain the canal until the obstructions are cleared.

Mr. Wrathell voiced concern that the District might encounter Canal A residents who view the overgrowth as a buffer. He noted that the Canal A ROW is not wide enough to allow the vegetative buffer option that was offered on Canal Z. Discussion ensued regarding concerns from residents about eliminating the plant buffers, exposing views of the homes across the canal.

Mr. Paton recalled that the door hangers were intended to be informational, not a directive to remove obstructions from the ROW. He indicated that some residents inquired about what to do. Mr. Paton stressed that the door hangers did not instruct residents to remove items from the ROW; it told them not to plant or build in the ROW.

Mr. Wrathell voiced his opinion that the West Outfall is the highest priority to improving drainage and should be addressed during Fiscal Year 2015. Mr. Selchan stressed that flood protection is the focus and function of the District.

Mr. Way stated that it would be helpful to him if the Board made a decision regarding its priorities, as he remains mixed on what the priorities are. Mr. Way recalled that, at the last meeting, the extension of the Canal Z project was identified as a priority. Mr. Selchan clarified that he placed that project near the top of the priority list because the District promised residents that it would be completed. Mr. Selchan agreed that the unsightly appearance of the canal bank will not impede drainage; however, the Board previously agreed to improve the appearance. Mr. Way reiterated that it would be helpful to him if the Board and Staff began prioritizing projects.

Mr. Wrathell summarized that the priorities appear to be demolition of Pump Station #3 and completing the Canal Z bank issues, during the current fiscal year, followed by addressing the West Outfall during Fiscal Year 2015. Mr. Selchan noted that the other projects are related to aesthetics and trying to resolve canal maintenance issues for affected residents. Mr. Wrathell advised that the budget can be adjusted to specifically identify the capital project being completed, in a budget line item.

Regarding the Corporate Park, Mr. Wrathell pointed out that, if the City wants the District to complete work, for purely aesthetic purposes, the District could impose a special assessment on the Corporate Park, to pay for the improvements. Mr. Lewis indicated that he suggested that option during a meeting with the City. Mr. Selchan felt that the City would not agree to that option because the City is trying to attract businesses. Mr. Wrathell voiced his understanding and noted that the District could explain to the City that its capital projects funds for Fiscal Years 2014 and 2015 are already accounted for. Mr. Selchan agreed that the focus of the District should be drainage issues. Mr. Lewis indicated that, if the City is particularly interested in improving the Corporate Park, it has the authority and jurisdiction to create its own special assessment district and draw it around the boundaries of the Corporate Park.

Mr. Maguire referred to the extension of the Canal Z project and asked if the current contractor wants to complete the final phase. Mr. Way explained that costs were included in the original contract but were removed. Mr. Selchan clarified that the District did not award that portion of the project; the funds are still available and it could be awarded. In response to Mr. Maguire's question, Mr. Selchan stated that the current contractor already provided a quote. Mr. Way stated that it might be less expensive and give the District leverage, if a different contractor is hired to perform the silt work.

C. Engineering Consultant: *John McKune*

Mr. McKune noted that, if the District creates a capital improvement document, the City could provide options for incorporating the Corporate Park into the document. He stated that the District could provide the City with an estimate of the total cost and the cost to the owners in the Corporate Park. Mr. McKune felt that this approach could lead to an agreement with the City regarding completing the work.

D. Field Supervisor: *Cory Selchan*

Mr. Selchan thanked the Board for reconsidering the District's membership in FASD. He reported that, since the last meeting, the District received less than 1" of rain.

Mr. Selchan advised that, in spite of certain impediments and only being able to use two pumps, good results are being realized, due to the improvements that were made. He stressed that the recent improvements are "working", even though the systems are not being used at maximum capacity.

Mr. Selchan recalled that funds for a new tractor were previously budgeted; he is obtaining quotes and will provide them at the next meeting. He noted that Mr. Way provided a quote for a new computer and to update the GIS system, which will be presented for approval, at the next meeting.

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

i. Approval of Unaudited Financial Statements as of May 31, 2014

Mr. Wrathell presented the Unaudited Financial Statements as of May 31, 2014 and the corresponding unreconciled cash balances.

Mr. Morera asked about the State Board of Administration (SBA) account and voiced his belief that the funds were swept. Mr. Wrathell indicated that it is a continual process. Mr. Morera recalled that the funds did not appear on the last Unaudited Financial Statements but

appear on this version. Mr. Wrathell explained that the state periodically releases investment funds; he felt that all of the District's funds will be released by the end of the year. Mr. Wrathell made a note to sweep the funds, when possible.

Mr. Wrathell pointed out that assessment revenue collections were at 96%.

On MOTION by Mr. Prudhomme and seconded by Mr. Maguire, with all in favor, the Unaudited Financial Statements as of May 31, 2014, were approved.

ii. **NEXT MEETING DATE: August 13, 2014 at 6:30 P.M.**

Mr. Morera indicated that the next Regular Meeting is scheduled for August 13, 2014, at 6:30 p.m., at this location.

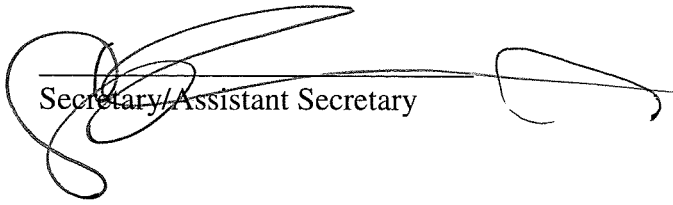
TWELFTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

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

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair