

**MINUTES OF MEETING  
SUNSHINE WATER CONTROL DISTRICT**

The Regular Meeting of the Board of Supervisors for the Sunshine Water Control District was held on Wednesday, May 14, 2008, at 6:30 p.m. in the Commission Chambers, Coral Springs City Hall, 9551 West Sample Road, Coral Springs, Florida 33928.

**Present at the meeting were:**

Mary Macomber	President
Dave Hulett	Vice President
Emily Heafy	Secretary

**Also present were:**

Craig Wrathell	District Manager
Bruce Cranmer	District Counsel
Cory Selchan	District Supervisor
Doug Paton	Client Services Manager
John McKune	District Engineer
Jane Early	CH2M Hill
Cedo DaSilva	CH2M Hill
Rich Michaud	City of Coral Springs Public Works

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

The meeting was called to order at 6:32 p.m.

**SECOND ORDER OF BUSINESS**

**Affidavits of Publication for the following:**

- a. Request for Qualifications for Professional Engineering Services**
- b. Spray Pump Bid**
- c. Invitation to Bid – Purchase of 10” Triploid Grass Carp**

Mr. Wrathell stated that behind Tab 2 is proof of publication of advertisements placed in the *Palm Beach Post* for Request for Qualifications for District Engineering Services; behind this is a copy of the Request for Qualifications advertisement placed in the *Sun-Sentinel*; behind this is the Request for Qualifications advertisement placed in the *Miami-Herald*. He also stated that

behind these documents is the spray pump bid advertised in the *Sun-Sentinel* and the invitation to bid for the Triploid Grass Carp.

**THIRD ORDER OF BUSINESS****Ranking of Requests for Qualifications  
for Professional Engineering Services**

- **CH2M Hill**
- **Craig A. Smith and Associates**
- **Hydra Engineering, LLC**
- **Rhon Ernest-Jones**

Ms. Macomber made the following statement:

*[Verbatim]* “I’ve had some time to think about what happened at the last Board meeting when, at the very end of the meeting, Mr. Hulett sought to terminate the services of CH2M Hill. I’ve also read over the minutes to review what Mr. Hulett said. After reviewing the minutes, my opinion is that the Board was unfairly pressured by the inflammatory remarks and immediate action sought by Mr. Hulett at that meeting. I refer your attention to page 9 and the following pages of the minutes. To the best of my knowledge and understanding, Sunshine has always been managed by our management company. We had our own internally employed engineer until very recently. From what I have been able to determine, CH2M Hill was solely a part-time consultant up until fairly recently, when we had come to rely on them more because we no longer have an in-house engineer, which we’ve had for many, many years. Our previous management company’s duties included advising the Board of what needed to be done in the District and that was their responsibility – to manage on our behalf. Our management company was responsible for deciding what needed to be done in terms of internal maintenance of our structures and canals. They oversaw the day to day operations on our behalf. The previous management company chose not to recommend any such maintenance project, even with our own engineer on board. Yet the management was provided, on several occasions, with the advice of the outside engineer, CH2M Hill, that maintenance needed to be done. The buck stops there, at the management company, not at CH2M Hill, as Mr. Hulett had suggested. Whatever their reasons, our previous management company chose not to advise the Board to do anything; therefore, the buck indeed stops there. This reminds me of the long time I spent in the corporate world in a situation that frequently

occurred there with senior employees. For management's own purposes, management didn't listen to what their senior employees told them they needed to do, in the best interest of the company, because of a variety of reasons usually. Maybe the so-called enlightened management knew better, or perhaps it would actually cost the company more if they were to follow the senior employees' rightful recommendations and perhaps take away from management's possible (inaudible), just some of it. When it suited management's purposes, these senior employees were often labeled to be old. Management implied they had no value, especially when compared with younger, cheaper employees. I saw this happen all the time in the corporate world. And I always thought how typically foolish that was on management's part. These senior employees had the experience. They understood the corporate culture. They were loyal to the company. They had (inaudible) and critical experience. They had invested, in fact, years of their own life experience in the company. All of those attributes are lost when a senior employee, like CH2M Hill, in our case, is tossed aside for younger, newer, cheaper employees. What is totally lost on management every time this happens is that this costs the company hundreds of thousands of dollars in hidden costs for re-training, for the space made by new employees, for loss of the intimate understanding of the corporate system and the culture, and most importantly, the loss of valuable years of experience which cannot be replaced. That, in my humble opinion, is what is happening here. Mr. Hulett seeks to throw the old pros – in our case, CH2M Hill out, just because they are old. I believe this will cost us dearly in thousands of dollars in hidden costs in the learning curve, et cetera, if we toss out the old pro and bring in a new pro - especially at this juncture when we are right in the middle of so many upgrades and maintenance projects. Mr. Hulett's allegation that CH2M Hill carries the whole burden - carrying the whole burden of perceived lack of maintenance of the District' system, holds no water. According to the facts, CH2M Hill tried to advise our previous management company that maintenance was needed, and our previous management company wasn't listening for whatever reason. Therefore, they did not involve the District Board. One can only conclude that our previous management company apparently didn't want to authorize spending the money to keep our infrastructure up to snuff. And Mr. Hulett's discussion to the contrary, I believe that we are potentially jeopardizing the NRCS follow up contract

that is in the works right now. CH2M Hill was instrumental in bringing us the first NRCS contract to the tune of a million plus in funding, to help us start the silt removal, and now we are urged by Mr. Hulett to thank them by firing them and giving them their walking papers, potentially jeopardizing the follow-up on NRCS funding. How foolish that seems to me. Therefore, for all these reasons, and with all due respect and sincere thanks to those other three companies who submitted a response to us, I hereby move to immediately cease the bid process and retain CH2M Hill as the Sunshine Engineer. Is there a second? Hearing none, my motion fails for lack of a second. You may continue.”

Mr. Wrathell advised that the District has received four responses to the Request for Qualifications: from CH2M Hill, Craig A. Smith and Associates, Hydra Engineering, LLC, and Rhon Ernest-Jones. He stated that under Chapter 287.055 Florida Statutes, this is a qualifications based selection process. He suggested that the Board could provide respondents with the opportunity to give presentations prior to any ranking of proposals or qualifications; then the Board can establish ranking criteria, and then make a selection based on these criteria. He said that the Board can make a decision that night and go through the ranking sheets based only on the information provided. He suggested that a presentation from the firms is the best approach; however, this is not required. If a presentation is not required, the Board can follow the ranking criteria and then authorize District staff to negotiate the fees with the number one ranked firm. Staff would then enter into a Continuing Services Agreement, enabling the District to continue to operate and not continue bidding out engineering services. Staff would also negotiate a standard fee schedule for services. Mr. Wrathell deferred to the Board for the process it deemed most appropriate. He stressed that this has to be qualifications based and that there has to be an agreed upon ranking criteria.

Mr. Hulett spoke in favor of inviting the firms to give presentations. Mr. Wrathell suggested that the Board could continue this meeting to a specified date or schedule a new specific meeting to address this.

**On MOTION by Mr. Hulett and seconded by Ms. Heafy, all voted in favor of hearing presentations by the four applicants for the engineering position at the regularly scheduled June meeting, with the exception of Ms. Macomber. (Motion passed 2-1)**

Mr. Wrathell said it will be appropriate for the Board to determine ranking criteria in advance of these presentations. He suggested ranking firms numerically as Nos. 1, 2, 3 and 4 according to the Board members' view of who the best firms are.

**On MOTION by Mr. Hulett and seconded by Ms. Heafy, all voted in favor of establishing a numerical 1-4 ranking criteria with 1 being the best firm, with the exception of Ms. Macomber. (Motion passed 2-1)**

**FOURTH ORDER OF BUSINESS**

**Discussion of Board's Desire for Presentations by Top Respondents**

*This item was deferred to the next meeting.*

**FIFTH ORDER OF BUSINESS**

**Consideration of Award of Contract for Professional Engineering Services**

*This item was deferred to the next meeting.*

**SIXTH ORDER OF BUSINESS**

**Consider Resolution 2008-7 Approving the District's Proposed Budget for Fiscal Year 2009; and Setting a Public Hearing Thereon Pursuant to Florida Law**

Mr. Wrathell indicated that behind Tab 6 is a proposed resolution to approve a proposed budget. Behind this is an actual budget. He explained that staff is initiating the process to ultimately lead to adoption of the budget. Mr. Wrathell said staff is proposing that the budget public hearing occur at the September 10, 2008 meeting at this location at 6:30 p.m. because, in Broward County, all Districts are required to be on the TRIM notice that the Property Appraiser issues. Mr. Wrathell deferred to Mr. Paton.

Mr. Paton gave a brief presentation and summarized changes to the proposed budget. The Board members followed by referring to copies of the budget.

Mr. Wrathell said that with regard to the silt removal project, the original budgeted number was \$1.6 million, with NRCS expected to fund three-quarters of this. He said that from a budgeting perspective, one challenge is the capital improvement programs underway and the NRCS funding as available right now; but from a broader perspective, the District will have to

begin preparation of an updated water control plan this summer. He explained that over the years, many Districts have been wrapped under Chapter 298, which is the all encompassing statute regarding 298 drainage districts. He added that as of 2000 moving forward, all the 298 drainage districts now referred to their plan of reclamation as a Water Control Plan, which is the capital improvement program. He explained that this amended Water Control Plan will be that which the District has not dealt with in the NRCS program.

Mr. Wrathell stated that the balance of the capital improvement program is what he recommends wrapping into a larger bond issue. This includes the upgrade of the pump stations from liquid propane to the electric system. He added that Mr. McKune and staff had also discussed improving the housing around the pump stations. He referred Board members to the section before the maps to Mr. McKune's estimated capital projects outline. Mr. Wrathell explained that staff really cannot budget for this in the upcoming year because staff has not identified revenue sources because the District has not yet issued bonds. He added that expenses being incurred in the current program will stay in this current year; the reimbursement from NRCS will be attributed to the current fiscal year also.

Mr. Wrathell explained that staff had included additional engineering costs into the current budget. He stated that ultimately staff will go over budget and will need to do a budget amendment, then show the NRCS funding as revenue coming in to offset this. With regard to item 3, the east outfall, staff had estimated a June, 2008 start date and September, 2008 completion date, with the hope of NRCS participation. Mr. Wrathell advised that, if NRCS does not provide the necessary funding, he would recommend adding the east outfall work to the other projects listed in items 2-9, and wrap it into the reclamation plan as an overall bond issue, then issue bonds as quickly as possible. Mr. Wrathell continued summarizing specific items on the proposed budget.

**On MOTION by Ms. Heafy and seconded by Mr. Hulett, all voted in favor of approving Resolution 2008-7 and setting the Public Hearing date for September 10, 2008. (Motion passed 3-0)**

Mr. Hulett asked who does the District's employee evaluations. Mr. Wrathell said he evaluates Mr. Selchan and Mr. Selchan evaluates his staff. Mr. Hulett asked if District employees are in a defined benefit or defined contribution plan. In response, Mr. Selchan explained that

CSID pays 3 percent of staff's salaries to the program. He added that this is not the state program. He added that the pension plan is provided through Sunshine Water Control; also, staff contributes to a 457 plan on an individual basis. Mr. Hulett asked what happens with homes that are in foreclosure. Mr. Wrathell explained that because many homes in the community are resident dominant, the Board should have minimal concerns about not meeting its budgeted collections.

**SEVENTH ORDER OF BUSINESS**

**Discussion of Scope of Services/Proposal from CSID**

Mr. Wrathell referred to Tab 7, to the third sheet, indicating the total fixed unit cost for the current fiscal year was a total of \$37,800, broken out to Personnel, Rent and Technology. He explained that CSID has re-allocated these expenses to two categories only – Personnel and Rent, for a total of \$45,000, which is a 20 percent increase over what it was. Mr. Wrathell suggested that because of the significant increase, the Board should continue discussion with CSID representatives to see if this can be adjusted downward. He requested that the Board give staff time to continue negotiations.

**EIGHTH ORDER OF BUSINESS**

**Other Business**

*No other business was discussed.*

**NINTH ORDER OF BUSINESS**

**Approval of April 9, 2008 Meeting Minutes**

**On MOTION by Mr. Hulett and seconded by Ms. Heafy, all voted in favor of approving the April 9, 2008 minutes. (Motion passed 3-0)**

**TENTH ORDER OF BUSINESS**

**Staff Reports**

- a. **Attorney**
  - i.) **Discussion Regarding SFWMD Canal Reservations, Coral Springs Research & Development Park (TIIF Deed #16396 (1912))**

*[This report is inaudible.]*

*[Per Agenda notes:]*

**On MOTION by Mr. Hulett and seconded by Ms. Heafy, all voted in favor of authorizing Mr. Cranmer to file a Letter of No Objection subject to the Engineer's review and approval. (Motion passed 3-0)**

**b. Engineer**

**i) Update Status of Bid Package for NRCS Silt Removal**

*[This report is inaudible.]*

It was stated that staff members are coordinating distributing door hangers for residents' homes with information about what is going on, the website address, schedule of work and a hotline for those who may have problems.

Mr. Wrathell said Mr. Paton has drafted a letter to be sent to the mayor, Commissioners and Mike Levinson with information about what is happening.

**ii) Presentation by Jane Early**

Ms. Early read aloud the following letter in response to discussion held at the last Board meeting:

*[Verbatim]*

Dear Supervisors:

I would first like to extend our appreciation for the working relationship we have had over the many years we have provided engineering services for the District. However, I was surprised by the comments made by Mr. Hulett at the last meeting held on April 9, 2008. To verify that I heard correctly, I requested a copy of the meeting minutes for review by myself and CH2M Hill management. During the meeting, Mr. Hulett stated, "The record speaks for itself. They had this project continuously for 45 years. Why preventive maintenance was not done over all these years just doesn't wash. Why are we sitting here today with the canal silted up and wanting to spend millions of dollars in taxpayers' money to clean them out, millions of dollars to rebuild the conservation, hundreds of thousands to provide property secure fencing?"

Simply put, CH2M Hill is not responsible for vandalism or maintenance of the pump stations or canals. To support this, I have copies of the Annual Reports prepared by Severn Trent in 2005, as well as one in 1996, which outlines the responsibilities of the management company, the District staff, as well as CH2M Hill. As I stated at the



meeting, there has always been an Engineer on staff with the District, and CH2M Hill receives direction from either the management company or the District's Engineers when they wanted CH2M Hill to perform various tasks such as (inaudible) reports, planning and approval of recommendations, as well as putting bid packages together for Sunshine Water Control District work. In addition, there are seven full-time maintenance staff, including a full-time supervisor. There has never been a CH2M Hill scope of services to oversee the maintenance staff or to review on a weekly basis the conditions of the pump stations and the canals. In fact, over the years, we have prepared various reports and made numerous recommendations to the District regarding the canals and pump stations. Your review of these recommendations was acted on by the District. In addition, in 2003 and 2004, the pump and engines at both stations were replaced and reconfigured without any input from CH2M Hill. It was not until after the new engines were overheating (inaudible) that we were notified to consult with District staff as to the problem. Since the Engineer on staff had left shortly after the hurricane struck in 2005, CH2M Hill was instructed to put together the hurricane clean up efforts, including acquiring federal funding. To date, CH2M Hill has been able to provide \$3.5 million for hurricane clean up and recently has added another \$1.6 million for canal restoration. This funding from NRCS has enabled the District to cover construction costs and engineering costs for the majority of the hurricane clean up efforts and the newly awarded canal restoration project.

Attached please find a summary of reports and recommendations CH2M Hill has made over the years, the latest being assessment of the pump stations in June, 2007. Many of the deficiencies and recommendations were the same ones as the report prepared in 1992. We are now in April of 2008 and have yet to be instructed to prepare a bid package to perform any of the improvements. In closing, we want to again thank the District for the years we have provided services and hope that the District will bring the facility up to the level of service we recommended. Attached, I have outlined some of the recommendations that we made over the years and I handed those reports out. March 18, 1991, we had done a condition report of the pump station one and recommended various repairs, including fencing, security, a new roof, generator, et cetera. Amended Plan of Improvement, January 6, 1992, included recommendations for the pump stations, as well

as review of the hydraulic system. The hydraulic review included a phytometric survey of the canals. The canals, for the most part, are significantly filled with silt and debris. Several items were recommended to improve the hydraulic system. Recommendations for the canal and culvert system included: removal of all Florida (inaudible) along canal banks and topping of all tall trees adjacent to the outfall canal, institute a program schedule that will provide a phytometric survey at least once every five years to monitor silt build up, provide an additional 36-inch culvert at N.W. 39<sup>th</sup> Street to reduce culvert headlock, design, permit and construct a basin interconnect between Sunshine Water Control District and the North (inaudible) Improvement District, to be located in the northwest quadrant of the Sunshine Water Control District to provide water availability during drought conditions, as well as an emergency flood protection outlet. The recommendation was for dual 54-inch culverts extending under Wiles Road. It was also recommended to improve the existing interconnect between the east and west basins of the District located between Canal and Canal I. Include additional culverts in the existing culvert inspection program is noted in the report. Recommendations to the pump station included (inaudible), fence replacement, bulkhead repair, replace roof, stucco repairs, clean and paint, refurbish pumps, relocate the engine, new (inaudible) coolers, new muffler and exhaust piping, modify belt guards, install LPG line per Code, standby generator, battery chargers, exhaust fans, fluorescent lights, (inaudible) stabilization, (inaudible) aquatic trees near fuel tanks, refurbish (inaudible) magnetic motor start. CH2M Hill was involved in a few of the recommended repairs. However, District staff may have completed some of the items without our knowledge. I brought a few of the projects that we were involved in. The 39<sup>th</sup> Street culvert was done in 1994. In 1995, Pump Station No. 1, trash rack and walkway. In 1996, Canal RR restoration and in 1999, Phase 1 Sunshine Water Control District outfall canal maintenance. In July, 2007, CH2M Hill issued yet another condition assessment report for Pump Station No. 1 and Pump Station No. 2. Recommendations included fence replacement, access driveway, repair LD fuel piping, trash rack replacement, paint, installing doors, replace louvers, replace roof, upgrade lighting, install security system, install remote and start remote telemetry, replace bypass pipe. The 2007 report also provides an evaluation for changing the LP engines to electric engines as requested by staff. We provided a schedule to replace the

existing LP engines to electric engines over the next ten years so as not to stretch the District financially and the engines were currently in good condition. They were replaced in 2003 and 2004.

I just want to say that Craig’s report is a step in the right direction; he’s trying to outline funding to start doing some of the things that need to be done in the District. For the record, I wanted you to know that we had made recommendations over the years and for whatever reason, they were never acted upon.

Ms. Macomber stated, “Based on this presentation, I restate my motion to cease the bid process and retain CH2M Hill for the Sunshine Water Control District. Hearing none, the motion fails.”

**c. Field Supervisor**

**i) Discussion of Bid Results for Spray Pump Package**

Mr. Selchan stated that within the last 15 years, there has only been one responder or retail provider for the hydro pump used to spray the canals. He also stated that there is only one bid from Spray Pump Depot in the amount of \$7,459.99.

**On MOTION by Mr. Hulett and seconded by Ms. Heafy, all voted in favor of approving this vendor. (Motion passed 3-0)**

**ii) Discussion of Bid Results for the Purchase of 10” Triploid Grass Carp**

Mr. Selchan advised that the low bidder is T.L. Fish Farms, which staff recommends.

**On MOTION by Ms. Heafy and seconded by Mr. Hulett, all voted in favor of approving. (Motion passed 3-0)**

**d. Manager**

**i) Unaudited Financial Statements as of April 30, 2008**

Mr. Wrathell presented the April 30, 2008 unaudited financial statements and gave a general overview of the format of the statement. Mr. Wrathell stated that as of April 30, the District has gotten 88 percent of budgeted revenues for assessment levy for operating assessments.

It was stated that Grau and Company would present a report on the audit at the next scheduled meeting.

**On MOTION by Mr. Hulett and seconded by Ms. Heafy, all voted in favor to approve the April 30, 2008 financial statements.**

**ii) Approval of CH2M Hill Invoices**

Mr. Wrathell indicated an invoice from CH2M Hill for District canal restoration for the total of \$25,523 along with an invoice for permit review and Board meeting activities, in the amount of \$2,903.

**On MOTION by Mr. Hulett and seconded by Ms. Heafy, all voted in favor to approve the CH2M Hill invoices.**

**iii) Discussion of 197 Mailed Notices**

Mr. Wrathell stated that some attorneys in Districts in other areas of the state find some language in Chapter 197, Section 3632, to be ominous. He said their interpretation is that when assessments increase from one year to the next, this triggers a requirement to send out a 197 mail notice to every property owner. Mr. Wrathell said in his opinion, if this is something close to CPI or a reasonable adjustment and the District has not really significantly increased the scope of the District's program, then spending \$16-\$20,000 sending out a mail notice to each individual property owner in the District is an undue expense. Mr. Wrathell requested Mr. Cranmer's interpretation of this regarding the criteria involved to do a mail notice.

**iv) Discuss Article in the Bond Buyer Regarding the Florida State Board of Administration**

Mr. Wrathell indicated there is a probe being done by the Securities and Exchange Commission and said a copy is provided for the Board.

Ms. Heafy asked if the District could send out a postcard versus sending out a letter. Mr. Wrathell advised that Chapter 197 states a letter has to be sent First Class Mail. He advised that WCHA has a form letter that is used for other Districts.

**ELEVENTH ORDER OF BUSINESS**

**Supervisors Requests and Audience Comments**

A resident of the District advised that she was speaking on behalf of a number of residents are concerned about maintenance of canal banks. She spoke of trash along with large items like shopping carts that can be found on canal banks in her area.

[Mr. Wrathell requested that Mr. Cranmer speak into the microphone.]

[Mr. Cranmer's comments are inaudible.]

Ms. Macomber said that personally, she had advised Mr. Selchan of debris in her canal that was blocking the flow.

It was stated that residents do not know who to contact and report these issues.

It was stated that there are employees who pick up garbage, but that it is impossible to clean everything out. It was suggested that residents talk to each other and look for sources of the trash being dumped in the canals. It was stressed that District staff, along with the City, are doing everything in their power to address this problem, but the littering being done by residents is difficult to control.

Mr. Wrathell stated that dumping items in the canal is the equivalent of illegal dumping.

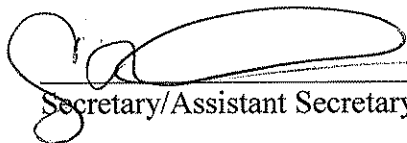
Mr. Hulett agreed with the resident that a representative from the District should speak at the Charter School about the District's function. Ms. Heafy suggested contacting Channel 25 as a further means of educating the public.

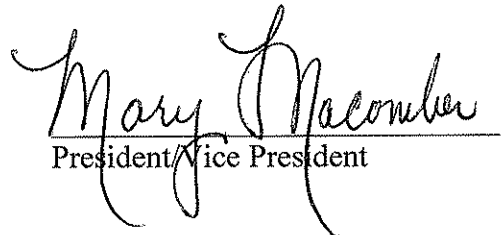
**TWELFTH ORDER OF BUSINESS**

**Adjournment**

**On MOTION by Mr. Hulett and seconded by Ms. Heafy, all voted in favor of adjournment.**

There being no further business to discuss, the meeting was adjourned at 8:19 p.m.

  
Secretary/Assistant Secretary

  
President/Vice President