

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

A Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, October 13, 2010 at 6:30 p.m.**, in the **Commission Chambers, Coral Springs City Hall, 9551 West Sample Road, Coral Springs, Florida 33065.**

Present at the meeting were:

David Hulett	President
Emily Heafy	Vice President
Joe Morera	Secretary

Also present were:

Craig Wrathell	District Manager
Doug Paton	Wrathell, Hunt & Associates
Matthew Kozak	Wrathell, Hunt & Associates
Bill Capko	District Counsel
Cory Selchan	Field Superintendent
Rhon Ernest-Jones	District Engineer
Tom Donahue	District Engineer
Ashley Resta	Rhon Ernest-Jones/IBI
Wesley Bradish	RBC Capital Markets
Dean Hitsos	Acct. Manager, Corporate Benefit Advisors
Virginia Gascoigne	Corporate Benefit Advisors
John McKune	McKune & Associates

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Hulett called the meeting to order at 6:30 p.m. Mr. Wrathell called the roll, noting, for the record, that Supervisors Hulett, Morera and Heafy were present, in person.

SECOND ORDER OF BUSINESS

Citizens' Requests

There being no Citizens' Requests, the next item followed.

THIRD ORDER OF BUSINESS

Rating from Standard & Poor's (*for informational purposes*)

Mr. Wrathell directed the Board to the information located behind Tab 3. He advised that Mr. Pfilip Hunt, of Gardnyr Michael Capital, Inc., gathered the information on what the

District's perspective rating would be. He explained that Standard & Poor's assigned a credit assessment quality of "Medium Investment Grade" and indicated that this assessment does not represent a rating. Mr. Hunt's opinion is, with a "medium investment grade" preliminary rating, when a full rating is requested, they should receive a solid "A" rating, assuming that no major changes occur in the status of the District. Mr. Wrathell explained how the fees are calculated once the rating is given and noted that the District has paid \$7,000, which Standard & Poor's will credit towards their fee. Discussion ensued regarding the interest rate they might receive, when the rate is determined and by whom.

Mr. Wrathell discussed having each firm give a presentation to the Board, in November or December. Mr. Morera asked if there were any specific criteria they should look for during the presentations. Mr. Wrathell stated the Board should look at each firm's track record for issuing bonds, if they will give a commitment to sell all of the bonds and their recent history. He indicated he will provide a list of the firms selected by himself and their attorney at the next meeting.

******This item was added to the Agenda.******

Mr. Wrathell noted that representatives from Corporate Benefit Advisors were present to provide a brief overview of the health and dental insurance renewal options. Mr. Dean Hitsos, Account Manager, distributed a handout and discussed the medical renewal, indicating the only carrier coming close to their current benefits with AvMed is Aetna. He pointed out that the current AvMed HMO plan has a renewal increase of 11.6% and approximately 3 – 4% of that renewal is due to health care reform. Mr. Hitsos next referred to the two (2) sets of rates provided and gave an explanation of each. He noted that one (1) employee is eligible for Medicare and, if that employee chooses this option, it will result in an 11% decrease below their current rates. The out-of-pocket maximums for the Aetna and AvMed plans were also discussed.

With regard to dental renewal, Mr. Hitsos indicated that the current Assurant PPO Plan is receiving an increase of 16.3% as of December 1st. He also noted that American General matched the current benefits exactly, with the exception of open enrollment limitations for new employees and late entrants. Mr. Hulett indicated that under the American General plan, dependents are eligible to age 25, versus age 19, under the current plan. Mr. Hitsos advised this would be an added benefit. Ms. Heafy pointed out that American General charges a \$15 monthly administration fee, which would be added into the monthly premium. Mr. Hitsos indicated that the only disadvantage his company has with American General is that they are not familiar with

their customer service. Mr. Wrathell suggested discussing this again at the November meeting and he will forward a list of the participating dentists to Mr. Selchan.

Mr. Hitsos advised if the current plan with AvMed renews as is, it will be considered grandfathered. He briefly highlighted the changes under Healthcare Reform.

FOURTH ORDER OF BUSINESS

**Update: Water Control Plan Amendment
and Bond Issuance Tentative Calendar**

Mr. Wrathell distributed a revision which indicated that under Item #9, the date should have been December 8th on line 9 and line 10. He advised that the notices were sent out to the residents and quite a few calls were received by his Staff; however, once the reasons for the increases were explained, the majority of residents were satisfied. Mr. Wrathell indicated that several residents were alerted by the language regarding evaluating properties potentially needed by the District for the drainage program and Mr. Donahue explained that this was a statutory language requirement.

FIFTH ORDER OF BUSINESS

**Discussion: Canal Right-of-Way
Clearing**

Mr. Wrathell reported on a meeting, that he and Mr. Hulett attended, with the City of Coral Springs staff where he provided them with a copy of the proposed newsletter. The City's recommendation was a one-page letter with no detail or discussion of canal right-of-way clearing. He and Mr. Hulett agreed because of the upcoming bond issuance.

Mr. Wrathell stated, with regard to the discussion at the last meeting regarding continued encroachment on their right-of-ways, after looking at the dynamics, he feels it might make more sense to get through the hearings related to the drainage plan and the prescriptive validation and, at that point, consider sending an educational mailer on the right-of-ways to the property owners on the canals. He also discussed the potential impact of the departure of Mr. Levinson.

Mr. Hulett advised that a Coral Springs police officer will be present at the October 27th hearing in case any situations arise and that Mr. Paton will be in charge of the three (3)-minute timer, which will be located on the podium.

Mr. Hulett stressed that he wants a specific, step-by-step plan for the canal right-of-way clearing in place by the first of the year; thus, the Board knows how they are going to begin the process and where the focus should be, for example, should they begin with the nuisance species,

then move to the fences and then the ornamental trees. He would also like to have a timeline. He requested that the Engineer, Attorney and District Manager form a committee and develop a specific plan on how to proceed. With regard to the departure of Mr. Levinson, Mr. Hulett noted that the City Commission has entered into negotiations with the Mr. Erdal Donmez, the current Deputy City Manager, and he expressed his comfort with the relationship that the District has built with the City.

Ms. Heafy inquired about a Mission Statement being presented at the October 27th Public Hearing. Mr. Hulett indicated that the Engineer will give a presentation on the Water Amendment Plan and address why it needs to be done and what it will entail. He emphasized the point should be made that if the drainage elements in the community did not exist, the city would not exist and the infrastructure must be kept in top condition.

Mr. Ernest-Jones reported that meetings are scheduled for next week with Lake Worth Drainage District and the Old Plantation Water Control District to see how they operate.

Mr. Morera expressed his disappointment that the letter sent to the residents was changed, based on the city's recommendation, without first communicating with the rest of the Board. He also discussed his feelings about the canal right-of-way clearing and the importance of sharing the responsibility between the District, the city and the responsible landowners. Mr. Wrathell apologized for the lack of communication with Mr. Morera and Ms. Heafy.

SIXTH ORDER OF BUSINESS

**Consideration of Bid Tabulation Sheet:
Purchase of Chemicals for Aquatic Weed
Control**

Mr. Selchan referred to the bid tabulation located behind Tab 6 and indicated that bids were solicited from these manufacturers. He explained that various companies make products that are similar in nature, so they start with the low bidder and reserve the right to change to a more effective product. He requested the Board's approval of the low bids. Mr. Wrathell clarified that the award will go to the low bidders highlighted in yellow on the bid tabulation sheet. Further discussion ensued.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, the purchase of chemicals for aquatic weed control from the low bidders highlighted on the bid tabulation sheet, was approved.

SEVENTH ORDER OF BUSINESS**Update: FEMA Funding for Disaster Damages Resulting from Hurricane Frances**

Mr. Paton indicated this topic relates to grant money that was given to the District from the Federal Emergency Management Agency (FEMA) as a result of Hurricane Frances in 2004. He explained that the District applied to the NRCS for reimbursement after the work was completed and the contractors were paid. Mr. Paton advised that the request for funding to the NRCS was unsuccessful. Another request made directly to FEMA for assistance was initially denied and then granted after an Appeal was filed. \$295,000 was then paid to Sunshine under the Emergency Watershed Program, again, after all of the restoration work was completed and contractors paid. In the ensuing years, Sunshine filed Quarterly Extension Reports postponing final closeout. As a result, project support documentation for Sunshine's Storm Restoration had not been provided to FEMA. At the beginning of 2010, the State Department of Emergency Management contacted Mr. Selchan requesting closeout supporting documentation, which was provided for the three (3) contractors that were hired to do the storm debris cleanup. At that point, the District believed it had provided sufficient documentation for the subject work. FEMA then asked for additional records proving that the debris was removed and processed at a legal dump site. Mr. Paton described how a majority of dump tickets were obtained and indicated they were sent to FEMA. Their findings were that the dump tickets had missing details and de-obligated (denied) the entire funding amount. This meant that FEMA was directing the District to pay back the entire grant because of missing 5-year-old dump ticket omissions.

Mr. Paton referred to the letter that he and Mr. Wrathell drafted to appeal the decision. Mr. Capko suggested that he and Mr. Lewis research other legal grounds for appeal. He would like to explore any other procedural issues that may need to be raised, in conjunction with Mr. Wrathell, and then file the appeal, prior to the deadline. Mr. Hulett suggested copying Representative Porth or State Senator Jeremy Ring on the appeal. Mr. Capko agreed. Mr. Morera inquired about possible avenues to pursue if the appeal is turned down, given that the previous Board and Manager did not comply with the requests that accompanied the funds. Mr. Capko indicated if they get turned down, the attorneys will explore all opportunities. Mr. Hulett felt that the failure by the previous administration to provide any of the materials requested by FEMA was a serious oversight. Mr. Paton clarified that the three (3) contractors' records were, in fact, turned over by the previous District Manager and were in Wrathell, Hunt and Associates'

archives. These records, however, were never submitted to FEMA. Staff researched these records and made the appropriate submission to FEMA in March, 2010, through the State of Florida PA system. These records were accepted and are not in question. The dump records that are not recognized as sufficient documentation for the debris removal and disposal was work done by subcontractors of the three (3) firms hired by Sunshine.

EIGHTH ORDER OF BUSINESS

Pump Stations Property Insurance Comparisons FY2011 - FY2012

Mr. Paton advised that Mr. Morera requested insurance comparisons for the pump stations and he directed the Board to the information located behind Tab 8. Mr. Morera asked if the insurance premium was included in their cost projections. Mr. Wrathell indicated Mr. Donahue confirmed that they budgeted for builders' risk insurance. He explained that the District does not need to acquire insurance until the construction is completed and the stations are operational because the contractors will have builders' risk insurance in place during construction. The insurance will be included in next spring's budget.

NINTH ORDER OF BUSINESS

Consideration/Discussion of Permits/Applications/Letters of No Objection

• PERMIT/APPLICATION LOG

Mr. Ernest-Jones referred to a request for a letter of no objection for a fence permit at 11291 NW 43rd Street, submitted by the homeowner's son, and recommended approval. He also indicated that Chen & Associates submitted a permit application for Mullins Park, which is in process. He advised that the permit for Burger King, submitted by Zamora and Associates, is also in process.

TENTH ORDER OF BUSINESS

Approval of Minutes of September 15, 2010 Public Hearing and Regular Meeting

The September 15, 2010 Public Hearing and Regular Meeting Minutes were presented for the Board's approval. Mr. Wrathell advised that Mr. Donahue submitted a number of

corrections to his office that were not incorporated into the Agenda package, but are included in the signature version.

The following additional change was recommended:

Line 205: Change “volunteer” to “Engineers for the”

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the September 15, 2010 Public Hearing and Regular Meeting Minutes, as corrected, were approved.

ELEVENTH ORDER OF BUSINESS

Supervisors’ Requests

Mr. Morera inquired about registering for a course being offered by FASD and requested the website address. Mr. Wrathell discussed the District either reimbursing or paying for the class. Mr. Hulett advised this was discussed at the last meeting and the Board agreed to pay for the hotel, a per diem for meals and mileage, at the standard government rate.

Mr. Morera discussed having a status provided at each meeting for items that require follow-up. Mr. Ernest-Jones stated the monthly Engineer’s Report acts as a reminder system and notes are taken at the meetings. Mr. Wrathell explained the process he uses to track ongoing items. After further discussion, Mr. Morera indicated he will take notes and request information as necessary.

TWELFTH ORDER OF BUSINESS

Staff Reports

a. Attorney

There being no report, the next item followed.

b. Engineer

i. Monthly Engineer's Report – 09/07/10 to 10/05/10

Mr. Ernest-Jones advised that Coral Springs Fire Station 71 is serving as an opportunity to fortify the District’s relationship with the City of Coral Springs. He explained that the city is short of on-site storm water storage and it looks like his firm will be able to assist in securing a satisfactory outcome. He advised an agreement will be drafted, for the Board’s approval, which will be similar to the one used for the Incredible Ice project. Mr. Ernest-Jones stated by excavating some of the canals already proposed in their program, a smoother channel will be

created for the flow of the water, as well as creating additional storage. He suggested there be some consideration out of the construction budget to pay SWCD for creating storm water storage. He explained that the District is responsible for controlling the quality and quantity of water that discharges into the South Florida Water Management District (SFWMD) and the only way to do that is to control individual development of the parcels to ensure that they comply with the District's basic criteria. Further discussion ensued.

Mr. Ernest-Jones reported that the as-built plans were received for the Coral Springs Medical Center Emergency Department expansion and Mr. Selchan is assisting with the finalization to get the Trash Bond released.

With regard to the canal right-of-way encroachment, Mr. Ernest-Jones reiterated that meetings are scheduled with the Lake Worth Drainage District and Old Plantation WCD, as requested, and he will be working with Mr. Capko and Mr. Wrathell on a program. He also indicated that the permitting for Pump Stations 1 & 2 is complete and they are working on obtaining a final Guaranteed Maximum Price (GMP) from Weitz for the pump station construction.

Mr. Ernest-Jones advised that he continues to work with Mr. Ralph Merritt regarding the Coral Springs Corporate Park and stressed the seriousness of the problem. He explained that it is like a jungle and is supposed to be a clean, open grass swale leading from the road down to the District's canal.

Mr. Ernest-Jones noted that they have a report and presentation for October 27th. The Board requested that the presentation be emailed to them. Mr. Wrathell suggested keeping it simple and that Mr. Ernest-Jones and Mr. Donahue give their presentation and not get into any financing explanations. Mr. Wrathell will provide extra copies of the Agenda.

Mr. Ernest-Jones stated some research was done on the location where there is a ficus hedge. He indicated that he had their surveyors look at the clusters. They have found that there was a deed by the developer to the clusters and there is some suspicion that all of the canals and waterways in there were possibly deeded to adjacent property owners and nothing is owned by the District. He recommended having a title search done. Mr. Hulett clarified that they need to determine who owns the property and if there is an easement.

Mr. Capko stated there is a possibility that, even if there are no recorded easements, the District may have prescriptive easements over the canals because it has been maintaining them for decades. Mr. Selchan stated there are many areas around the clusters that were common

areas at one time. He advised there is some dedication to the District on the original plats for the lakes and maintenance areas of the lakes. He indicated the property appraiser has a good map outlining the canals and it reflects that they belong to Sunshine. Mr. Selchan noted that the piece of property he wanted to use to gain access must have been one of the parcels taken from a common area and either given or sold to the property owner.

Mr. Selchan showed the location of the clusters on a map and also the area that was cleared to access the canal, which the property appraiser indicated was District property.

ii. Update Presentation on East-West Basin Interconnect.

Mr. Ernest-Jones advised that the interconnect study has been completed, subject to comments from Mr. McKune, Mr. Selchan and the city. It will be submitted to the Board for approval and then to the county. He indicated they will see four (4) alternatives. He stated if they assume a one (1) foot differential between the West Basin and the East Basin, the amount of water that flows through the culverts in a day is about one-half of what the city is allowed to withdraw in a day.

Ms. Resta gave a slide presentation and noted the SWCD is divided into two (2) separate basins; the East Basin and the West Basin, and they are completely independent of each other. Each has its own operating system and its own pump station to control each of them. She pointed out the well fields for the City of Coral Springs, which are located throughout the East Basin. Ms. Resta explained that the City of Coral Springs well fields receive recharge from the East Basin canals that are adjacent to those areas and over 80% of the recharge comes from water seepage of the canals. When the water is being withdrawn from the well fields, they get recharged mainly from the nearby canals; when they are getting recharged, the water levels in those canals drop and there is a drawdown effect. Ms. Resta indicated that this analysis was performed to connect the two (2) basins with a pipe system to allow water to move from the West Basin into the East Basin to help fill the canals back up. The goal of the analysis was to determine if an interconnect would move enough water there to provide the replenishment that is needed. She stated they assumed, in the analysis, that it would only be in conditions where the West Basin, as a whole, was at least a foot higher than the East Basin. If they are level, the interconnect would not be used; it has to be higher than the West Basin to be able to move water into the East Basin.

Ms. Resta discussed the four (4) locations analyzed for interconnects. She reviewed each exhibit showing where the pipes would be located in each of the four (4) locations and explained the issues involved with each. She confirmed that the pipes will be below ground.

Ms. Resta stated each one of the locations was entered in the District's hydrologic model and run without a storm. Each analysis was compared according to efficiency, how much water actually moved into the East Basin, where the water went, did they get to the well fields, the constructability and the cost of construction. She explained that they ran the model with the West Basin being at elevation 6.5 and East Basin at 5.5. The West would initially be starting a foot higher and the analysis itself was run as if the gate was open for a week. Ms. Resta advised all of the locations were done using a 24" pipe. Locations one (1) through three (3) had the control structure with the crank and a side gate on it and location four (4) had a pump.

Ms. Resta stated the total cost of construction for the interconnects varied between \$175,000 to \$400,000, depending on the locations and the issues that came along with them. She reviewed the issues involved for each location. Ms. Resta advised, before the technical report is finalized and submitted to the Board, several tasks remain, including meeting with Mr. Selchan to review each of the four (4) locations discussed, as well as meeting with the City of Coral Springs to discuss the results and get their feedback on each location, based on the feasibility and the actual flow being received into the East Basin. After these meetings, REJ/IBI will decide on one (1) location that they recommend. She stated they are leaning towards location three (3). Mr. Ernest-Jones advised the most expensive option is location four (4).

Ms. Resta pointed out that currently, the city has a specific amount that they are allowed to withdraw from the wells, per day. In the Water Use Permit, they were approved to withdraw .85 million gallons per day extra and the canals in the East Basin will lower with more withdrawal. The interconnect will help the canal level in the East Basin go up to account for the amount being withdrawn.

Ms. Resta stated they have met with other drainage agency officials in Broward County and other districts and everyone is in favor of an Interconnect.

Mr. Hulett stated the study is being funded by the county and the actual cost of construction is an open issue.

c. Field Supervisor

Mr. Selchan indicated his report was a follow up regarding gaining access to the canal and removing the hedge, which was discussed previously. He thanked the Board and the District

Manager for their continued diligence with the employee health insurance issues. He stated it is important to him that these issues are addressed and expressed his appreciation for continuing to allow the costs to be covered by the District.

d. Manager

i. Unaudited Financial Statements as of August 31, 2010

Mr. Wrathell presented the Unaudited Financial Statements as of August 31, 2010 for the Board's approval. He referred to the handout regarding their unreconciled cash and investment balances as of October 13, 2010. He pointed out that they are at 99% collection for assessments and noted there may be some late remittances from the tax collector.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the Unaudited Financial Statements as of August 31, 2010, were approved.

ii. Check Register, August 2010

Mr. Morera inquired about two (2) checks that were issued to Ford Motor Credit Company for the same amount – check #1467, dated August 2, 2010 and Check #1473, dated August 3, 2010. Mr. Wrathell advised he will email the information to Mr. Morera and also place it on the next Agenda.

iii. Invoices, August 2010

Mr. Wrathell presented the August 2010 invoices for the Board's review.

iv. Fiscal Year 2011 Meeting Schedule

- **NEXT MEETING DATE: October 27, 2010 at 6:30 p.m.**

THIRTEENTH ORDER OF BUSINESS

Adjournment

There being no additional business, the meeting adjourned at 9:52 P.M.


Secretary/Assistant Secretary


President/Vice President