

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

A Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, February 8, 2012, 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
Joe Morera	Vice President
Emily Heafy	Secretary

Also present were:

Craig Wrathell	District Manager
Matt Kozak	Wrathell, Hunt and Associates, LLC
Doug Paton	Wrathell, Hunt and Associates, LLC
William Capko	District Counsel
Cory Selchan	Field Superintendent
Tom Donahue	District Engineer
Rhon Ernest-Jones	District Engineer
Michelle Blackstock	Grau & Associates
John McKune	McKune & Associates
Rodney Fitzpatrick	Resident
Dan Clark	Resident
Stephanie Clark	Resident
Dennis Poore	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Hulett called the meeting to order at 6:31 p.m. Mr. Wrathell indicated, for the record, that Supervisors Heafy, Hulett and Morera were present, in person.

SECOND ORDER OF BUSINESS

Citizens' Requests

Mr. Rodney Fitzpatrick, 3000 NW 112th, thanked the Board for the canal clearing work and the options provided.

Mr. Dan Clark, 10772 La Placida Drive, recalled offering to assist with the District's website. He provided the Board with a sample brochure and a booklet that contained

information that might be helpful to the District in providing water quality information on its website. Mr. Clark feels the District has a responsibility to address water quality issues. He discussed the impact of fertilizers, etc., on coral reefs. He urged the Board to subscribe to and read a publication entitled “Stormwater”, part of “Water and Waste Digest”, which provides good information about rules, laws and financing projects.

Mr. Clark indicated he will speak before the county commission regarding the La Placida issues and asked for a written copy of the Board’s official stance regarding whether the District has authority.

Ms. Stephanie Clark, 10772 La Placida Drive, recalled advising the Board, at the last meeting, that the agenda was not on the District’s website. She indicated today’s agenda is on the website; however, it is not linked in the proper location. Rather than the link being attached to “Agenda”, you must click “Packet”. She felt this is confusing.

THIRD ORDER OF BUSINESS

Notice of Landowners’ Meeting – March 14, 2012

- **Election Instructions**
- **Official Ballot**
- **Official Proxy**

Mr. Wrathell indicated a landowners’ meeting will take place on March 14, 2012, prior to the regular meeting. Landowners or proxyholders will nominate individuals to fill Mr. Morera’s seat, votes will be cast and a supervisor will be elected to that seat. For reference, the election instructions, an official ballot and official proxy were located behind Tab 3.

FOURTH ORDER OF BUSINESS

Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2011, Prepared by Grau & Associates

Ms. Michelle Blackstock, of Grau & Associates, indicated this is an unqualified opinion, meaning it is a clean opinion. She referred to the balance sheet on Page 8, noting that, this year, the District has general, debt service and capital projects funds. For the fiscal year ending September 30, 2011, the District had total assets of nearly \$14.3 million, which exceeds the total liabilities of approximately \$736,000, resulting in a total fund balance of about \$13.5 million.

Ms. Blackstock indicated a new standard was implemented this year, which results in a minor change in the presentation of the fund balance. The fund balance categories have changed to restricted, which is for debt service and capital projects; assigned, which includes working capital and subsequent years expenditures and, lastly, an unassigned category.

Ms. Blackstock referred to the statement of revenues, expenditures and changes in fund balances, on Page 10, noting, after the bond proceeds, there was a net change in the fund balance of \$11 million. The bond proceeds were approximately \$12.9 million. At the end of the fiscal year, revenues were less than the expenditures of about \$1.9 million.

Under expenditures, on Page 10, Ms. Blackstock advised that the general government line item decreased by about 18% from the prior year and the maintenance and operations expenditure decreased by about 16%. New line items this year include bond issue costs, capital outlay and bond proceeds.

Ms. Blackstock referred to Note 6, on Page 19, stating the note relates to the special assessment revenue improvement bonds issued in Fiscal Year 2011 and the long-term debt activity section, on Pages 19 and 20, now includes the bond issue.

She referred to the report on internal controls over financial reporting and compliance, on Page 24, and indicated it is a clean opinion. The management letter and the report to management, on Pages 25 through 27, state there were no current or prior year findings for the District.

The Board and Mr. Wrathell thanked Ms. Blackstock and voiced their appreciation to Grau & Associates.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2012-1,
Accepting the Audited Financial Report
for the Fiscal Year Ended September 30,
2011**

Mr. Hulett presented Resolution 2012-1 for the Board's consideration.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, Resolution 2012-1, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2011, was adopted.

SIXTH ORDER OF BUSINESS

Discussion: Press Release Regarding Pump Station Construction

Mr. Donahue distributed and presented the draft pump station update and photographs. Mr. Hulett suggested the District issue press releases as the project progresses, rather than waiting for completion. The Board reviewed the proposed press release and approved its release to the media and placement on the District's website.

SEVENTH ORDER OF BUSINESS

Update: ROW Clearing

Mr. Paton indicated the project's team including himself, Mr. Donahue, Mr. Selchan, and Ms. Deborah Hernandez, have been meeting with residents. There are approximately 120 residential units along Canals AA and BB. The District identified 39 properties containing obstructions in the right-of-way. Correspondence was sent to those property owners and many returned a response. Field meetings were scheduled to review the area, in terms of the option selected. Mr. Paton reported that many selected Options 2 and 3; a few selected Option 1. He advised that 33 of the 39 have a resolution in process; six (6) have not responded to the District's letter. Mr. Paton will call those property owners, during the coming week.

Through meeting with the property owners who selected Option 3, Mr. Paton indicated the team was able to convince all but one (1) to allow the District to remove the obstructions. The remaining Option 3 matter involves the Royal Palm trees. The property owner is out of town but Mr. Paton and Mr. Selchan will meet with him upon his return.

Mr. Paton stated the next stage is to bid the work and proceed with removal.

Mr. Hulett inquired about potential contractors. Mr. Paton stated the District Engineer is locating contractors. Mr. Hulett recommended proceeding with the dredging, as quickly as possible, in conjunction with the right-of-way clearing project.

Regarding tree removal, Mr. Paton indicated Mr. Ernest-Jones will speak about the permit issues with the city. He explained that approximately a dozen trees could be contentious but most trees will not require a permit. Discussion ensued regarding the tree removal method; Mr. Morera stressed the need to leave the property in a satisfactory state.

Mr. Hulett indicated Mr. Paton and Mr. Selchan have identified Canals Z, JJ, D and N as the next to be considered for ROW clearing.

Mr. Ernest-Jones indicated he and District Staff met with numerous city staff members regarding the tree permitting issue. The District Staff pointed out the difficulty in the city requiring mitigation of the removed trees. The consensus was that the city should declare a certain width, such as 25 feet, from the top of the bank, as a presumed health and safety hazard issue. This route enables the city to still abide by its tree ordinance while allowing the District to remove trees and avoid the mitigation issue. Mr. Ernest-Jones felt the parties reached a resolution; however, he was unsure if the city will agree to the recommended 25 feet distance. Discussion ensued regarding keeping this concept moving forward.

Mr. Wrathell stated he felt the meeting ended on a positive note; however, upon following up with Mr. Michaud, he was told that the District must still work with Mr. Westfall and pay mitigation. Mr. Michaud stated the city will give no exemption of the required mitigation, for any specific area, other than diseased trees or those within a few feet of the bank. Discussion ensued regarding mitigation and it was confirmed that mitigation boils down to paying the city money.

Mr. Hulett felt the District needs a response from the city regarding the distance from the bank for which it would not be subject to mitigation responsibilities. If the city decides not to allow a certain distance, the District could counter offer. Alternatively, the District could take the stance that it has the right to remove the trees in its right-of-way, remove them and the city can sue the District, if they wish. Mr. Hulett noted the mitigation cost is unknown. Mr. Paton stated that currently, approximately 12 trees could be subject to mitigation. Mr. Ernest-Jones advised that mitigation costs for specimen trees can be \$2,000 to \$3,000 each and other types of trees are usually \$300 per tree. Mr. Hulett voiced his concern about paying mitigation and setting a precedent. Mr. Hulett stressed the importance of receiving the city's written stance.

Mr. Capko advised that Mr. Lewis sent a letter to the city attorney, summarizing the meeting, the District's position and the areas of agreement. The letter asked for confirmation of the District's understanding; however, the city has not given its complete confirmation. Mr. Capko noted Mr. Lewis' correspondence did not include the suggestion of a set distance from the bank as either being discussed or agreed upon. Mr. Lewis' letter stated the city's position was that the public, health and life safety issue would generally be resolved by the District and city engineers. Mr. Wrathell felt that the District needs to obtain confirmation from the city and move forward.

Mr. Ernest-Jones voiced his concern that Mr. Lewis' letter missed the point made in the meeting, with regard to establishing a certain distance. He felt the best case would be for 25 feet to be approved; otherwise, the District is left with using less efficient and more expensive forms of maintenance. In response to Mr. Hulett's question, Mr. Ernest-Jones recommended that the course of action is to introduce the concept of the presumption of a health and safety hazard of trees within 25 feet of the bank of the District's right-of-way or, the right-of-way line, whichever is less. Mr. Wrathell recommended Mr. Ernest-Jones and Mr. Donahue draft a letter, on behalf of the Board, explaining what needs to be completed and asking for definitive direction.

Mr. Hulett questioned the District's next step, should the city reject the concept of the 25 feet distance and require mitigation on all tree removals.

Mr. Capko felt that the District Engineer should prepare a certification, certifying to the Board what is required as a matter of life, health, safety and welfare of the landowners, with regard to the District's ability to maintain its system. He suggested sending the certification to the city with a cover letter informing the city commission of the situation, the steps taken and offering the certification statement. The letter should state that the District will assume the city concurs, unless a response is received within 20 days.

Mr. Morera noted the city has an ordinance but says they are governed by the county's tree ordinances. Mr. Ernest-Jones indicated Broward County has a tree ordinance which governs absent delegation of the authority to a city. When a city has a tree ordinance equal to or stronger than the county's ordinance, the county delegates the authority to the city. Mr. Ernest-Jones advised that it is entirely a city matter, once delegation takes place.

Mr. Wrathell felt the District has tried dealing with the highest parties but, the matter remains unresolved. He recommended sending the letter and certification to the city manager and, if it is rejected, the Board should take the matter to the city commission. Mr. Wrathell advised that, should the city commission also reject it, the District should simply proceed as planned, if it feels strongly that this is a life, health and safety issue.

Mr. Morera voiced his opinion that, should the District be required to pay mitigation and assessments increase as a result, the District should make property owners aware that the City of Coral Springs caused it. Mr. Wrathell discussed the political implications and felt the District comes across as the good guy.

If the District proceeds, Mr. Hulett asked when the mitigation cost is paid. Mr. Ernest-Jones indicated issuance of the permit is contingent upon mitigation and felt a bond would be required. Mr. Donahue confirmed a permit will not be issued without agreeing to pay mitigation. Mr. Hulett questioned if the District should proceed with clearing everything except the specimen trees, until the tree permit and mitigation issue is resolved. Mr. Capko pointed out the city's opinion is that the District is responsible for mitigation for more than just the specimen trees. Mr. Hulett clarified that only nuisance trees would be removed, pending resolution of the mitigation issue. Mr. Capko indicated the District can determine whether to apply for a permit and how to proceed, once the city's response is received. The District might choose to not obtain a permit and operate under its Chapter 298 responsibilities.

Mr. Ernest-Jones agreed to prepare a certification.

Ms. Heafy questioned who has higher authority, the city or the District. Mr. Capko confirmed District Counsel's opinion that the District's authority trumps the city's authority; however, there are circumstances where the city's zoning rules could not be ignored. Mr. Capko felt this is a situation where the city will argue that, while the District owns the right-of-way, the city has jurisdiction over trees in the city, regardless of location. Mr. Capko stated he is comfortable with the District's argument; however, the city has an argument also and may choose to litigate.

EIGHTH ORDER OF BUSINESS**Discussion: Newsletter**

Mr. Kozak requested feedback from the Board regarding the sample newsletter. Mr. Hulett felt the newsletter is ready and suggested each Board Member provide Mr. Kozak with a short bio for inclusion. Mr. Kozak indicated the newsletter would be four (4) pages and the "What Have We Accomplished Lately?" item would be an insert within the newsletter. Mr. Wrathell recommended removing information about the landowners' meeting, as the newsletter will probably be sent after it has occurred. Mr. Hulett recommended including the operations office's address and Management's name and office location. Referring to the brochure and booklet provided by Mr. Clark, Mr. Morera suggesting including coral reef information.

NINTH ORDER OF BUSINESS

Update: FEMA Appeal

Mr. Paton indicated that FEMA is still backlogged but the District's appeal is in the queue. The District's appeal was recently elevated and is now on the state's high priority list of appeals submitted to FEMA.

TENTH ORDER OF BUSINESS

January 31, 2012 Joint Meeting of Water/Drainage Districts

Mr. Ernest-Jones and Mr. Wrathell felt the meeting was productive. Mr. Wrathell indicated the entire city commission attended and the other water districts were represented. One commissioner, from a neighboring district, was disappointed that other Board members did not participate; however, the city commission was not bothered.

Mr. Wrathell stated the commission and mayor asked for an overview of the various districts and what endeavors each had underway. He noted the meeting did not necessarily follow the agenda. On behalf of the District, Mr. Wrathell, Mr. Ernest-Jones and Mr. Donahue gave a brief history of the District, its focus and a PowerPoint presentation. They addressed the ROW Clearing Project and the goal of the project. Mr. Wrathell felt the city commission was receptive of the District's message. Mr. Selchan spoke about the dumpster issue on commercial properties. Mr. Wrathell voiced his opinion that the commission and mayor were impressed.

Mr. Ernest-Jones felt the District was well represented at the meeting. He commended Mr. Selchan's trash issue presentation.

Mr. Hulett recalled the initial idea was for the various districts to coordinate a meeting and invite the city to participate; however, it was turned around to the city planning the meeting and inviting the districts. He felt it was beneficial.

ELEVENTH ORDER OF BUSINESS

Approval of January 11, 2012 Regular Meeting Minutes

Mr. Wrathell presented the January 11, 2012 Regular Meeting Minutes and asked for any additions, deletions or corrections. The following changes were made:

Line 39: Change "B&Ps" to "BMPs"

Line 87: After "Drive.", add "Mr. Hulett also agreed with Ms. Heafy's clarification."

Line 305: Change "GNP" to "Guaranteed Maximum Price (GMP)"

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the January 11, 2012 Regular Meeting Minutes, as amended, were approved.

TWELFTH ORDER OF BUSINESS**Supervisors' Requests**

Ms. Heafy questioned why the Australian pine trees that line the back of University Drive cannot be eliminated. Mr. Selchan indicated the trees are not on District property so the homeowner would have to be convinced that they should be removed.

Mr. Morera indicated he received an email a few weeks ago from the Coral Springs Improvement District (CSID) Vice President regarding a city code enforcement officer who communicated with CSID. Mr. Morera notified Mr. Selchan and the resident about the matter.

Mr. Selchan recalled that Mr. Bruno has addressed the Board regarding the rental properties behind city hall south. This is a shallow ditch area where the Board previously discussed digging out to improve the water flow north of the area. Prices were obtained when the District planned to perform the work during the dry season; however, more rain was received and, to perform the work now would change the scope and double the cost.

Mr. Selchan discussed a Glenwood resident, on 110th Avenue, who is upset and feels the area is being neglected by the city. The resident felt the area is receiving less attention since the demographics have changed; more affluent areas receive more attention. Mr. Selchan advised her that her presumption is not accurate; this area requires and receives much more attention. The resident did not believe Mr. Selchan's explanation. The resident was concerned about brown weeds along the canal, which she found unsightly. Mr. Selchan indicated his staff cleared the canal bank from Wiles Road to Sample Road; however, the resident is still not satisfied. The resident is requesting that the leaves on the bottom of the canal be raked and that the water be skimmed with a pool skimmer to remove grass and anything that is floating. She was of the impression that canals in affluent areas, such as Eagle Trace, receive this type of service. Mr. Selchan stated he advised her that Eagle Trace is located in a different district.

Mr. Morera advised that he did not attend the FASD meeting in Tallahassee but hopes to attend the next meeting. He distributed fliers for the upcoming "Taste of Coral Springs" event and asked for support.

Mr. Hulett asked Mr. Wrathell to follow up on the website regarding Ms. Clark's earlier comments and why the September and October minutes are not linked. Mr. Hulett requested a presentation at the next meeting highlighting the website revision ideas, general appearance, etc.

THIRTEENTH ORDER OF BUSINESS**Staff Reports****A. Attorney**

- **Five (5)-Year Recertification - Legal Authority to Issue Permits and Enforcement**

Mr. Capko recommended addressing this item at the next meeting. The Board was in agreement.

In response to Mr. Morera's question, Mr. Capko indicated District Counsel presented its legal opinion and arguments in the previously prepared memo presented to the city.

B. Engineer**i. Permit Application Log**

Mr. Ernest-Jones reported a new permit application was received within the last week and is under review. Two (2) fence requests for issuance of a letter of no objection were received and are under review.

ii. Monthly Engineer's Report – 01/05/12 to 02/01/12

Mr. Ernest-Jones indicated that Pump Stations 1 and 2 are proceeding on schedule. He will provide a breakdown of the capital project, including work completed, costs expended and change orders. Mr. Ernest-Jones noted the costs are very close to the Guaranteed Maximum Price (GMP).

Mr. Ernest-Jones advised that he met with numerous contractors and developed a plan to install additional culverts to improve flow at Culverts W-55 and W-56 under Coral Ridge Drive and Royal Palm Boulevard. This will ensure maximum benefit from the new pump stations. He feels the best way to address the new construction is through a change order to the existing Weitz contract. Mr. Hulett summarized the additional work is necessary because these work like dams because the current pipes are at 3' or 4' elevation. Mr. Ernest-Jones explained the water flow to the C-14 Canal and the difficulties with these culverts causing blockage. He recommended installing an 84" diameter culvert at each location at zero elevation meaning, when the canal water levels are down, the pipes will still be fully flowing, which will improve the flow

characteristics of the entire area. Mr. Ernest-Jones felt this project is a good candidate for grant funding, as it meets FEMA's criteria for reducing flooding and improving flow. Widening of Canal Z is the next logical step and lends itself to the ROW project. Mr. Ernest-Jones will provide Management with a computation of projected costs for the two (2) culverts and what funds remain for the canal excavation and construction/repair of the culverts. He will also provide a budget for canal clearing, due to the dry conditions, along with an overall status of the overall expenditures for the remainder of the bond funding.

Mr. Morera questioned if the grant application should be submitted prior to beginning work. Mr. Ernest-Jones indicated the next application submittal round is in June. Discussion ensued regarding the necessity and benefits of the recommended improvement. The preliminary bids are approximately \$250,000 per canal; \$500,000 total plus restoration costs, Broward County permits and engineering design and permitting. He estimated a final cost of \$400,000 per culvert. Mr. Ernest-Jones felt the grant application could take up to a year. He stated the payment for the improvement would come from the bond proceeds. Mr. Hulett summarized that Mr. Ernest-Jones is recommending proceeding with the work now, regardless of whether grant monies are received. Mr. Ernest-Jones replied affirmatively; tonight he is seeking authorization to solicit a GMP from Weitz and accept the recommendation to perform this work as a change order to the existing Weitz contract. Discussion ensued regarding issues with directional boring, which was discussed at the last meeting.

Mr. Hulett questioned Mr. Ernest-Jones' recommendation to perform the work through a change order with Weitz versus rebidding the project. Mr. Ernest-Jones indicated the change order approach is recommended because this is a civil engineering type of project with a lot of issues and, for this reason, a tried-and-true contractor is necessary. Murray Logan is different than typical underground contractors. Mr. Ernest-Jones feels it is important to allow the contractor to influence the design of the temporary work and Murray Logan and Weitz have performed very well; however, he will still ensure the GMP proposed is competitive. Discussion ensued regarding traffic flow and road issues during the project, along with the estimated duration.

Regarding the Weitz GMP contract, Mr. Ernest-Jones noted Weitz is claiming additional expense due to the FPL delay; however, if this work proceeds soon, they will be able to eliminate their claim, because there would be other work taking place.

In response to Mr. Morera's question regarding when approval is needed, Mr. Ernest-Jones indicated he would like the Board's approval tonight to pursue it so final approval can be sought at the next meeting.

Mr. McKune spoke in support of Mr. Ernest-Jones' proposed course of action. He felt there will be savings by adding to the current project.

Mr. Hulett and Ms. Heafy were in favor of proceeding.

Given the expense, Mr. Morera questioned if the District will gain a huge benefit, as this amounts to 4% of the capital projects budget. He asked for more facts regarding the return on investment. He acknowledged the benefits and gains but was unsure of an \$800,000 investment for this project. Mr. Hulett advised that tonight the Board is only approving Mr. Ernest-Jones to solicit costs from Weitz for consideration at the next meeting. Mr. Hulett asked that the estimate include definitive engineering estimates of the effect on the flow and/or gained capacity, along with the Broward County permitting fees. Mr. McKune felt it will be difficult to measure and quantify the benefit.

Regarding the pump stations, Mr. Ernest-Jones reported that the disadvantages of keeping grates far outweigh any advantages. The grates, at the base of the pumps, will make the pump more and more asthmatic, as time goes on. He feels these pumps are capable of grinding items that become caught. Mr. Morera questioned if not having grates affects the pump warranty. Mr. Ernest-Jones indicated it does not; he confirmed that with the pump manufacturer. Mr. Selchan discussed the trash rack/screen capabilities, with regard to trapping obstructions, prior to them entering the pump. Mr. Ernest-Jones recommended removal of the manufacturer-installed grates.

Mr. Ernest-Jones continued reviewing pictures of the pump stations, construction recommendations and safety concerns. He discussed installation of retaining and sheet pile walls, safety ladders and sloping of the bank. He recommended installation of two (2) additional erosion protection areas, at an estimated cost of \$280,000. He noted this will require realignment of the road. Mr. Ernest-Jones will obtain a change order from Weitz and present it to the Board for consideration at the next meeting.

Mr. Morera questioned if the distance between the discharge and the culvert under Royal Palm gives the water sufficient time to calm before hitting the culverts. Mr. Ernest-Jones stated

the distance is shorter and there was nothing that could be done; therefore, the District must handle the erosion issue. Mr. Ernest-Jones noted Pump Station 2 will have more space.

In response to Ms. Heafy's question regarding Pump Station 3, Mr. Ernest-Jones confirmed nothing is happening; it is currently off the agenda but will return in the future.

Related to the La Placida issues, Mr. Ernest-Jones reported on a conversation with Mr. Michaud regarding who is in charge of inspecting work. Mr. Michaud advised that the city's engineer works primarily on city land projects. Since La Placida is private land, the city relies on the engineer of record to design it, create observation and certify the project, upon completion. Mr. Ernest-Jones acknowledged this creates a gap; logically, the building department will need to impose more responsibility upon the developer's engineer to oversee the onsite work. The engineer of record should make periodic inspections. Mr. Ernest-Jones felt the chain should be if Mr. Clark observes a problem that the engineer of record has not, he should contact the building department who will then contact the permit holder. He felt South Florida Water Management District (SFWMD) and Broward County are not accountable for the work being performed.

Mr. Morera recalled discussion about the District owning the process by way of the permit it issued. Mr. Ernest-Jones concurred and related the status of the project based on a site visit and found nothing to report. Mr. Ernest-Jones felt Management could convey the lack of enforcement to the city. Mr. Morera noted Mr. Ernest-Jones' comment about a gap in the inspection process and wanted to know if the District should fill the gap or who will. Mr. Ernest-Jones acknowledged the concern, stating communication between the District Manager and the city manager is the proper channel. Mr. Hulett questioned the furtherance of the District's responsibility, as the area was inspected and no problems were found. Mr. Hulett felt any letters of concern should come from the concerned party and the District is not currently concerned.

Mr. Donahue presented color swatches for the pump station building exteriors. Mr. Morera voiced his concern that the light color will invite defacement.

Mr. Ernest-Jones recalled Mr. Hulett's request for confirmation that, under the contract, the District holds no liability for the equipment, etc., on the worksite. He indicated the contractor confirmed that the contractor owns the site and everything on it until it is turned over to the District; the contractor carries considerable damage insurance.

Regarding the canal dredging work previously approved, Mr. Ernest-Jones indicated Shenandoah confirmed their rates have not changed; thus, the project can commence once conditions are dry.

Mr. Donahue reported that he spoke to Mr. Michaud regarding the east-west interconnect. Mr. Michaud requested that the District develop a standard operating procedure regarding when, or under what conditions, it would be possible to open or close the interconnect. Once the District provides the information, Mr. Michaud will present it to his supervisors to determine whether it is beneficial for the city to provide further funding. Mr. Michaud's concern is that the city could spend proportionately more than the District, only to have the District arbitrarily deny their requests for more water.

C. Field Supervisor

Mr. Selchan indicated reported three (3) inches of rainfall pushed back the canal cleaning project. He is preparing to obtain bids for grass carp and estimates installation of approximately 5,000 carp. He received a phone call from Ford indicating the District's truck is delayed due to a lack of parts. Mr. Selchan agreed that the joint meeting with the city commissioners and mayor was successful. He felt the city has a real interest in helping the District with garbage issues. He recommended the next meeting be process oriented, as there are many problems for which the districts and city have no clear path to a resolution.

Ms. Heafy asked if the other districts have the same canal issues. Mr. Selchan replied affirmatively. He noted the other districts' problems are on a smaller scale, as their commercial areas are surrounded by block walls so the trash is contained and can be swept up at night; the trash never goes offsite. Mr. Selchan reminded the Board that the other districts have fresh water and sanitary sewer so their focus is on water distribution, not drainage. He confirmed the other districts' infrastructure is much newer.

Mr. Selchan indicated he has not conducted formal interviews for the open position, pending delivery of the truck.

D. Manager

i. Unaudited Financial Statements as of December 31, 2011

Mr. Wrathell presented the Unaudited Financial Statements as of December 31, 2011. He noted tax collections were at 79%, as of December 31. He indicated the total debt service amount of \$330,577, listed on Page 4, was paid by the capitalized interest account. The

assessments being received now will go towards paying the principal and interest payments due May 1; the cash balance will be applied to the November 1 interest payment. The final payment on the SunTrust loan will be May 1.

In response to Mr. Hulett's question, Mr. Wrathell indicated the Wells Fargo funds are reflected as "reserve" and "construction" line items under assets, on Page 1. Mr. Wrathell confirmed the money in the construction fund is drawn down with each bond requisition. Mr. Hulett asked that the financials reflect where the money is deposited.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the Unaudited Financial Statements as of December 31, 2011 were approved.

ii. Check Register, December 2011

The December 2011 Check Register was included for the Board's information.

iii. Invoices, December 2011

The December 2011 Invoices were included for the Board's information.

iv. Resident Inquiry Log

The Resident Inquiry Log was included for the Board's information.

v. NEXT MEETING: March 14, 2012 *immediately following landowners' meeting at 6:30 P.M.*

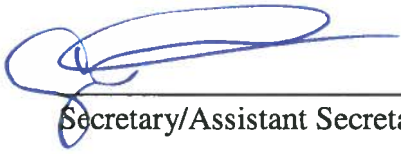
Mr. Wrathell noted that the landowners' meeting will be held March 14, 2012 at 6:30 p.m., followed by the regular meeting.

FOURTEENTH ORDER OF BUSINESS

Adjournment

Regarding the Broken Woods Land Use Plan Amendment, Mr. Ernest-Jones reported that the developer's engineer advised that it is still in the city's review process.

The meeting adjourned at 9:42 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair