

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

A Public Hearing and Regular Meeting of the Sunshine Water Control District's Board of Supervisors was held on **Wednesday, September 12, 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
Doug Paton	Wrathell, Hunt and Associates, LLC
Bill Capko	District Counsel
Cory Selchan	Field Superintendent
Rhon Ernest-Jones	District Engineer
Tom Donahue	District Engineer
John McKune	McKune & Associates
Jonathan Sharon	The Weitz Company
Rodney Fitzpatrick	Resident
Gary Runge	Resident
Eric Wolf	Resident
Joseph Croce	Resident
Mike Saltzman	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Hulett called the meeting to order at 6:30 p.m.

Mr. Wrathell indicated, for the record, that all Supervisors were present, in person.

SECOND ORDER OF BUSINESS

**Affidavit of Publication for September 12,
2012 Public Hearing and Regular
Meeting**

Mr. Hulett presented the affidavit of publication for today's Public Hearing and Regular Meeting.

THIRD ORDER OF BUSINESS

Citizens' Requests

Mr. Rodney Fitzpatrick, a resident, indicated that, on August 25, All County Tree & Landscape Co., Inc., did a good job removing trees on his property.

Mr. Gary Runge, a resident, requested that the meeting notices, etc., be placed on the District's website. Mr. Wrathell stated that can be done but noted that the District is still required to advertise in the newspaper.

Mr. Runge asked if the District will issue a synopsis of how the District fared during Tropical Storm Isaac regarding whether they were happy with the improvements made, how they have worked, whether there was flooding and, if so, where. Mr. Selchan indicated that none of the improvement projects are finalized. Mr. Runge questioned the status of the pump stations. Mr. Selchan advised that the pump stations are still under construction. Mr. Selchan stated that a judgment on how the improvements fared cannot be made now, as the projects are not completed. Mr. Selchan confirmed that there was street flooding but noted that nearly 14 inches of rain was received, which overwhelmed the existing system. Mr. Selchan stated that most issues were cleared in a day or two (2). Mr. Runge questioned whether the old pumps were that bad if they were able to accommodate the 14 inches of rain. Mr. Hulett clarified that the old pump systems are gone and the new pumps were pumping; Mr. Selchan meant that the District has not accepted complete delivery of the pump stations and buildings, as final adjustments are underway. Mr. Hulett stated that both pump stations are fully operable.

Mr. Runge referred to the budget and reminded the Board that they work for the taxpayers. Mr. Hulett noted that the Budget Public Hearing will take place shortly and recommended Mr. Runge hold his comments. Mr. Runge declined and continued.

Mr. Runge stated that the Board has a fiduciary responsibility to run the organization representing the needs and desires of the people of the District in a financially responsible way. He voiced his opinion that the numbers are big and the District is "writing a lot of tickets that are not paid for". Mr. Runge felt that \$2.3 million for a maintenance assessment is big, as well as nearly \$1 million for the debt assessment. He suggested that the Board consider cutting back the canal bank program; he feels the people of the District are not wealthy and the District should cut back. Mr. Runge questioned what the District will achieve or hopes to achieve by continuing, given there were no major problems during this storm. He accused the District of wreaking havoc with the environment by cutting trees along the canal banks. Mr. Runge contended that

the Board is being nonchalant regarding the effect of the project on the public. He spoke about the District passing the costs on to residents and questioned if the Board considered that fact. Mr. Runge spoke of the cost to residents if a citizen's group were to take action to stop the District, because the residents would end up funding that, too. He begged the Board to reconsider the ROW Project, as he sees no justification.

Mr. Wrathell pointed out to Mr. Runge that the Fiscal Year 2013 projected assessments are actually slightly lower than they were for the current year. Acknowledging that the Board is pleased with the improvements, over the past few years, Mr. Wrathell reported that the District received many phone calls from residents regarding high water and flooding issues during Tropical Storm Issac; overall, the District's system is not yet satisfactory to the degree that the Board feels is necessary to protect property owners and the community.

Mr. Wrathell noted serious issues in the Westchester neighborhood, related to the storm. The bond issue was used to pay for the two (2) new pump stations to replace the old ones, which were 40 years old; two (2) large culverts will be installed to drain the community because the District was not able to drain as effectively as necessary, in advance of storms. He explained that the District's main responsibility is drainage and the residents' properties are protected. Mr. Wrathell felt that, although great progress has been made, the District still has a way to go to meet the desired standard, given the 40 years of negligence in maintaining the system to the necessary level. Looking at the big picture, the annual assessment to pay for all of these things is \$198.09. Mr. Wrathell likened the \$198.09 assessment amount to the equivalent of flood insurance but, rather than paying for flood insurance, the resident is paying for a drainage system that provides the function of avoiding flooding. Mr. Wrathell warned that, if the storm event was wetter, there would have been more problems.

Mr. Hulett assured the citizens that the Board has closely scrutinized the budget and all of its past budgets. He challenged them to find a budget from any other governmental entity that has been more thoroughly analyzed, reviewed or is more wisely or judiciously used than the District's budgets. Mr. Hulett pointed out to Mr. Runge that the assessment, over the past five (5) years, has only increased by \$16. He voiced his confidence in the fiduciary responsibility of the Board and further challenged anyone else to develop something different.

Mr. Mike Saltzman, a resident of the Coral Springs Improvement District (CSID), indicated that Canal Z runs behind his home. He stated that he was not aware of the District's

program until he received the letter regarding the right-of-way clearing. Mr. Saltzman noted that there are several water control districts in the city and operating within the area. He questioned if there has been adequate cooperation between the various agencies. He voiced his understanding that he is required to maintain the right-of-way area but questioned the fact that he pays into CSID but is being required to do work by this District. Mr. Saltzman speculated that the money paid to the city for tree removal mitigation will ultimately come back to residents through their assessments.

Mr. Hulett asked if the letter spelled out the various options.

Mr. Donahue stated that the letter was the initial introduction. By the end of September, each property owner will receive an individual letter detailing their encroachment issues and the various options. Mr. Hulett explained the options that will be provided in the letter, including the one (1)-time option of having the District clear the area. Mr. Saltzman stated that he is not interested in having the entire area cleared; he wants to maintain a level of privacy and noise control. In response to Mr. Saltzman's question, Mr. Hulett stated that the District is not coordinating with CSID, as the Districts are separate and distinct. Mr. Saltzman voiced his feeling that CSID representatives should be present at the District's meetings, as there are CSID residents that are affected. Mr. Hulett felt that it is not necessary. Discussion ensued regarding whether there is overlap between the Districts.

Mr. Saltzman referred to the comment about the system being under-maintained for the past 40 years. He speculated that assessments for maintenance were collected during that time; thus, a special assessment should not be necessary now. Mr. Hulett clarified that the District is not imposing a special assessment; the assessment is slightly less this year, over the last year. Mr. Hulett recapped the assessment breakdown for Sunshine Water Control District.

Mr. Joseph Croce, a resident of Coral Springs Improvement District, stated that he was disturbed upon receiving the letter regarding Canal Z. When he called, he was informed that they would receive a visit at a later time, which is causing the neighborhood problem to fester. Mr. Croce advised that he cleared his property to the canal bank and sodded the entire area, when he built his home. Per the request of the City of Coral Springs, he planted trees and bushes, at his own expense. Mr. Croce noted that, after Hurricane Wilma, the District accessed the canal by crossing his property and there was no damage to the vegetation. He stated that he wants to maintain his backyard privacy from the Section 8 housing across the canal and does not want to

incur additional expenses. Mr. Croce informed the Board that the rest of his neighbors are in law enforcement and will be in attendance at the next meeting. He noted the irony that the District wants to take away the privacy of someone who arrests people in the Section 8 housing area.

Mr. Hulett reiterated that this program was thought out and, once Mr. Croce receives the various options, he will probably be pleasantly surprised. Mr. Hulett recommended that Mr. Croce wait to find out what the District wants, or does not want done; his contention may be premature, at this point. Mr. Croce stated that part of his point is the fact that he received the letter but now must wait to find out specific information.

Mr. Hulett asked why the options were not included in the informational letter.

Mr. Donahue stated that the information letter was to simply inform the residents of the upcoming project. The tree inventory and most of the individual property sheets are nearly complete. The landscape architect is preparing a written inventory. Mr. Donahue is aiming to mail the individual letters on September 24, 2012.

Mr. Ernest-Jones stated that property owners abutting the canals receive a letter, regardless of whether they are in the District or in another.

Discussion ensued regarding including a brief description of the three (3) options in the initial letter. Mr. Wrathell confirmed that the information is on the District's website, under "What's New".

FOURTH ORDER OF BUSINESS

Public Hearing to Consider Resolution 2012-9, Adopting the Final Budget for the Fiscal Year Beginning October 1, 2012 and Ending September 30, 2013, Pursuant to Florida Law

Mr. Wrathell presented Resolution 2012-9 for the Board's consideration. He referred to Page 10, noting that there are fewer assessable units this year, by 25 units. Mr. Wrathell stated that Fiscal Year 2013 commences October 1, 2012 and concludes September 30, 2013. The total Fiscal Year 2013 assessment of \$198.09 is comprised of a general assessment of \$141.99 and a debt assessment of \$56.10. He reiterated that the \$56.10 portion is related to repayment of the bonds issued earlier this fiscal year to pay for the two (2) new pump stations, the two (2) major culverts, various other work and canal bank clearing. Mr. Wrathell reviewed and explained the revenues and expenditures line items on Pages 1 and 2.

Mr. Hulett questioned if the proposed \$26,300 electric expenditure, under field operations, on Page 2, is sufficient, given the recent electric bills. Mr. Hulett asked that contingency funds be moved to the electric line item to increase it to \$40,000.

Mr. Wrathell pointed out that the propane line item is zero for the coming fiscal year and is essentially replaced by a \$35,000 fuel expense related to powering the pump station generator, in the event of an electrical outage. Mr. Wrathell explained the projected fund balance, including the assigned and unassigned amounts. Pages 3 through 6 provide detailed definitions of the expenditures. Mr. Wrathell reviewed the Series 2011 debt service fund budget and the amortization schedule on Pages 7, 8 and 9. Mr. Hulett pointed out the low coupon rate for the bonds, which allowed the District to borrow at a very low, competitive, reasonable rate. Mr. Wrathell stated that the bond approach differs from a short-term bank loan in that it allows the repayment to be spread over 30 years and includes future owners versus the loan, which essentially causes the current owners to fully fund work that will actually benefit future owners through the next 30 to 50 years. Mr. Wrathell noted that the bond repayment is structured so that property owners who pay their assessments are not held responsible or further assessed to cover those that do not pay.

*****Mr. Hulett opened the Public Hearing.*****

No members of the public spoke.

*****Mr. Hulett closed the Public Hearing.*****

Mr. Morera voiced his opinion that residents who commented earlier may have not taken the time to fully understand the budget items and matters on which they commented. He reiterated that the Board's goal is to meet their fiduciary responsibility, as elected officials. Mr. Morera noted that the Board has accomplished its promises; assessments are not increasing for Fiscal Year 2013, they balanced the budget, reserves are being built, the pump stations are nearly complete, the canal pilot program is underway, the SunTrust loan was retired and personnel was increased to address the District's needs. He pointed out that these things were completed under tight budgetary conditions; a resident claiming that the Board has not done their job, does not give service to what the Board and its employees have accomplished. Mr. Morera reminded everyone that the Florida Association of Special Districts recognized the Sunshine Water Control District, this year, as the District of the Year.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, Resolution 2012-9, Adopting the Final Budget for the Fiscal Year Beginning October 1, 2012 and Ending September 30, 2013, as amended, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2012-10, Levying a Non Ad Valorem Maintenance Assessment for the General Fund and a Non Ad Valorem Maintenance Assessment for the Debt Service Fund for Fiscal Year 2013

Mr. Hulett presented Resolution 2012-10 for the Board’s consideration. Mr. Wrathell noted that the second part of the title should read “Non Ad Valorem Assessment for the Debt Service Fund”, without the word “Maintenance”.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, Resolution 2012-10, Levying a Non Ad Valorem Maintenance Assessment for the General Fund and a Non Ad Valorem Assessment for the Debt Service Fund for Fiscal Year 2013, as amended, was adopted.

SIXTH ORDER OF BUSINESS

Property Owner Discussion: Fence Inquiry – 8859 NW 44th Court, Wolf

Mr. Donahue indicated that this request is related to a property in the Royal Lands area, off Wiles Road. He noted that this property owner and his neighbor both applied for fence permits. The request is for the fence to run to the water line. The neighbor is making the same request, with the addition of a fence along the back. Mr. Donahue reviewed aerial photographs of the neighborhood, noting other properties that have similar fences. Mr. Donahue advised that a letter of no objection could not be issued, as this request involves the fence being placed in the lake maintenance easement.

Mr. Eric Wolf, the property owner, indicated that he informed Mr. Donahue of his intention to install a swing gate for access purposes. He stated that Mr. Donahue advised him that the District would need access for vehicles; however, he feels that there is no way that vehicles could be used in that area, due to the bank slope.

Mr. Morera questioned if the City of Coral Springs would have given permits for the existing fences and if they would issue a permit for this fence, as it is requested. Mr. Donahue stated that, over the past few years, the city has forwarded these types of requests to the District for their input and determination. Mr. Morera acknowledged that Mr. Wolf's request amounts to doing what is already in place around his community but which is against the District's current criteria, creating an imbalance. Mr. Morera questioned how the District can disallow it while others have done the same.

Mr. Wolf stated that he is willing to work with the District to meet their needs. Mr. Selchan pointed out that the other fences in the aerial photographs are illegal. Mr. Selchan recalled that the District has allowed these types of fences with gates on both sides to allow full access and stated that he has no objection to the fence, if Mr. Wolf is willing to work with the District. Mr. Selchan reiterated that some of the other fences are illegal but, just because someone else got away with illegally installing a fence does not mean the District should allow Mr. Wolf to do it too.

Mr. Morera observed that Mr. Selchan could not completely go through the area now, if he wanted to, as the illegal fences prevent it. Mr. Selchan concurred. Special conditions were discussed, should approval be granted. Mr. Ernest-Jones voiced his opinion that it is a bad idea to allow the fence, as it sets a precedent. Mr. Hulett questioned Mr. Ernest-Jones' objection, if Mr. Wolf is willing to satisfy the District's special conditions. Brief discussion ensued regarding the neighbor's fence request.

If the request is approved to include installation of a gate, Mr. Wrathell suggested it include a provision allowing removal of the gate or fence, if access is not sufficient. Mr. Hulett suggested that the illegal fences be required to install gates or access, at a future time. Mr. Capko recommended a recorded encroachment removal agreement, so future homeowners are aware of the circumstances, at the time of purchase. Mr. Ernest-Jones asked if recording the permit would be sufficient. Mr. Capko preferred an actual agreement. Mr. Ernest-Jones questioned if all fence permits should be recorded, going forward, when special conditions apply.

Mr. Wolf indicated that his neighbor's request includes a fence along the back edge of the canal. Mr. Wrathell recommended that Mr. Wolf's neighbor attend a meeting to discuss his request.

Based on the Board's discussions, Mr. Donahue directed Mr. Wolf to submit a permit application, along with the \$350 application fee.

SEVENTH ORDER OF BUSINESS

Continued Discussion: Retirement Plan Withdrawals/Loans

Mr. Wrathell recalled discussion, at the last meeting, regarding amending the retirement plan to allow for loans from their 401K accounts. He found that the District's retirement age is 70.5 years old; however it is 59.5 for a 401K. Mr. Wrathell contacted ICMA-RC to find out what must be done to amend the District's plan and whether there are tax implications, should the District bring its retirement age into alignment with the 401K age. He was told that it can be accomplished through a simple plan amendment; therefore, this employee, given his age, would have the ability to simply pull money from the 401K, as he pleases. Mr. Wrathell hoped to have the amendment by the next meeting.

EIGHTH ORDER OF BUSINESS

Discussion: Newsletter

- **Schedule Biannual Mailings**
- **Compile List of Nonresident Recipients**

Mr. Paton indicated that the newsletter is being assembled. The first issue was mailed in March and the next should be ready for mailing during September. The list of nonresident recipients is being compiled for the Board's review.

NINTH ORDER OF BUSINESS

Update: Right of Way Clearing Program – Priorities & Inventories

- **Reminder Letter to AA & BB Property Owners**

Mr. Paton stated that letters were mailed regarding four (4) illegal fences on the District's right-of-way, which were discovered during the clearing project. The letters gave the property owners options, including the District removing the fence, at the District's expense, with the resident reinstalling it on their property, at their own expense. Mr. Paton noted that no property owners responded to the letter. Mr. Paton confirmed that follow-up calls were made; however, the property owners were not cooperative about moving their fences. Mr. Paton asked if District Counsel should prepare letters notifying those property owners that the District will remove the

fences and bill them for it. Mr. Capko agreed that a letter from District Counsel is the next logical step.

Mr. Morera wondered about the District's liability if the fences are removed and something happens. Mr. Capko stated that the fences are on the District's property so there is no liability, assuming proper notice is given. Mr. Morera voiced his desire to avoid litigation if something occurs. Mr. Capko reminded the Board that, regardless of whether the District is right, nothing guarantees against being sued. Mr. Wrathell recommended that District Counsel prepare and send letters, via Certified Mail, and include copies of the previous letters. Mr. Ernest-Jones suggested notifying the police chief so they are aware of the situation, should the police be called.

Mr. Paton indicated that two (2) property owners moved their fences, at their own expense. In relation to the clearing options, Mr. Paton noted that, of the four (4) remaining properties with illegal fences, only one (1) was involved in the vegetation removal project. He noted that there is still a single property owner who has not responded, in any way, regarding the clearing project; the last letter to them stated that the District will remove the vegetation and bill the property owner. Mr. Donahue speculated that there will be a significant number of illegal fences along Canal Z.

TENTH ORDER OF BUSINESS

Additional Savings Accounts Options

Mr. Wrathell indicated that the only savings account option that was appealing was Old Florida National Bank, with whom the District already has accounts. He stated that Management will continue researching opportunities but nothing stands out at this time.

ELEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2012-11,
Declaring Certain Obsolete and
Uneconomical Personal Property of the
District Surplus, Pursuant to Chapter
274, Florida Statutes**

Mr. Hulett presented Resolution 2012-11 for the Board's consideration.

Mr. Donahue indicated that legal notice was published and he emailed over 100 companies regarding the pumps, engines and gear drives at Pump Stations #1 and #2. One (1)

response was received from D Company. The total bid was \$11,777, for all items. Mr. Donahue noted the difficulty in even getting a salvage company to inspect the equipment.

Mr. Hulett asked if the equipment is paid by weight, should the District have it trucked to a salvage yard. Mr. Donahue confirmed that salvage companies pay \$0.09 per pound. Transporting the items to a salvage yard was deemed to not be a viable option, as the weight is not known, meaning the monetary recovery cannot be determined.

In response to Mr. Hulett's question, Mr. Donahue confirmed that D Company will pick up the equipment, on location. He confirmed that the bid is for all items listed on the attachment.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, Resolution 2012-11, Declaring Certain Obsolete and Uneconomical Personal Property of the District Surplus, as listed on Attachment 1, was adopted.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, the D Company bid of \$11,777 for purchase of the surplus items identified in Resolution 2012-11, was approved.

TWELFTH ORDER OF BUSINESS

Approval of August 8, 2012 Regular Meeting Minutes

Mr. Hulett presented the August 8, 2012 Regular Meeting Minutes and asked for any additions, corrections or deletions.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, the August 8, 2012 Regular Meeting Minutes, as presented, were approved.

THIRTEENTH ORDER OF BUSINESS

Supervisors' Communications

Mr. Morera advised that he will not be able to attend the October 10, 2012 meeting. Mr. Wrathell noted that he cannot attend, if the meeting date is rescheduled to October 17. The meeting date will remain on October 10, 2012.

Mr. Morera indicated that, on September 7, he toured the District with Mr. Selchan to view the flooded areas and understand the cause of the flooding. He feels that the city is aware

of the problems and they will also be investigating what can be done to eliminate flooding. Mr. Morera stated that he visited Pump Station #1 in late August and was impressed by the amount of water being pumped through the system; the equipment was performing very well.

Mr. Morera noted that Management received numerous calls from residents related to construction and road closures. Mr. Ernest-Jones stated that the first closure area offered better alternative routes but the alternatives are not as good at the current segment, at Coral Ridge Drive. Mr. Morera advised that he was contacted by City of Coral Springs staff members, as they were receiving calls from irate residents. Mr. Hulett was surprised that the city had not disseminated the information to their department heads, given the amount of advance notice that the District gave the city regarding the road closures. Mr. Ernest-Jones confirmed that the information was provided to Mr. Michaud and all parties were in agreement with the approach to the road closures. Mr. Morera clarified that the departments involved in the process were not the ones contacting him; other departments were receiving the calls. Mr. Ernest-Jones confirmed that the city was aware and approved the plans; however, he feels that the motoring public simply did not heed the warning signs and follow the detour directions, etc. Mr. Donahue recalled that, beginning in mid-June, coordination meetings have been held every other week, which included representatives from the police and fire departments, Mr. Michaud's office and, usually, the city engineer. Additionally, Mr. Donahue has sent regular updates.

Mr. Ernest-Jones stated that the District was fortunate to have such professional contractors working on the project.

Discussion ensued regarding the road closure and detour near the elementary school.

Mr. Morera presented a Sun Sentinel article from September 1, 2012 relating to flooding problems in other areas, due to Tropical Storm Issac and further discussion took place.

Mr. Morera thanked District Counsel for their monthly discount.

Mr. Morera indicated that the International Dinner Dance will be held on September 29, at the Heron Bay Marriott.

Mr. Hulett discussed the completion of the new pump stations and the upcoming dedication ceremonies. On his behalf, Mr. Hulett asked Mr. Capko to read the following:

“Based on their significant and historical contributions to the City of Coral Springs and more recently through Emily Heafy’s important work on behalf of the Sunshine Water Control District, I move that the Sunshine Water Control

District Pump Station Number One shall be dedicated to and shall be named the ED & EMILY HEAFY PUMP STATION and shall herein after be referred to as THE HEAFY.”

On MOTION by Mr. Hulett and seconded by Mr. Morera, with all in favor, dedicating and naming the Sunshine Water Control District Pump Station Number One the ED & EMILY HEAFY PUMP STATION and herein after referred to as THE HEAFY was approved.

On his behalf, Mr. Hulett asked Mr. Capko to read the following:

“Based on his outstanding, selfless, dedicated service and unswerving loyalty to the Sunshine Water Control District for the past thirty years, I move that the Sunshine Water Control District Pump Station Number Two shall be dedicated to and shall be named the CORY T. SELCHAN PUMP STATION and shall herein after be referred to as THE SELCHAN.”

On MOTION by Mr. Hulett and seconded by Mr. Morera, with all in favor, dedicating and naming the Sunshine Water Control District Pump Station Number Two the CORY T. SELCHAN PUMP STATION and herein after referred to as THE SELCHAN was approved.

FOURTEETH ORDER OF BUSINESS

Staff Reports

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

Mr. Capko passed along Mr. Lewis’ regret that he could not be in attendance, as he is in Tallahassee this month.

Mr. Ernest-Jones indicated that, as of September 30, 2012, he will be on affiliate status with IBI Group; meaning, he will work for IBI Group as a contract employee. Mr. Ernest-Jones voiced his desire to continue working on the District’s projects, so the transition should be seamless. IBI Group will continue to be the District Engineer and Mr. Ernest-Jones will continue as a representative of the District Engineer.

Mr. Capko recommended that the Board direct Management to update the current agreement, which is between the District and Rhon Ernest-Jones/IBI Group, to reflect the change. The agreement would list IBI Group, Incorporated as the District Engineer. In order to avoid an interruption in service, Mr. Capko asked the Board to authorize the President to execute the agreement prior to the next meeting date, as the change will occur at the end of this month. The Board can ratify the agreement at its next meeting.

Mr. Hulett felt that the District should obtain confirmation, in writing, from IBI Group, that they are appointing Rhon Ernest-Jones, an independent contractor, as the supervising engineer representing them with the Sunshine Water Control District. He asked that it further indicate that Mr. Donahue is a full-time employee of the IBI Group and whom he is supervised by. Mr. Hulett suggested that IBI Group confirm that their liability coverage applies to Mr. Ernest-Jones, as an independent contractor.

Mr. Ernest-Jones indicated that he spoke to IBI Group and they asked that the District draft the language for execution.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, directing Staff to revise the District Engineering Services Agreement, as discussed, and authorizing the President to execute, was approved.

B. Engineer: *IBI Group*

i. *Permit Application Review*

This item was discussed earlier in the meeting.

ii. **Permit Application Log**

Mr. Ernest-Jones presented the newly formatted Permit Application Log, noting that fences remain the primary permit items.

iii. **Monthly Engineer's Report – 08/01/12 to 09/04/12**

Mr. Ernest-Jones indicated that three (3) fence inquiries were received and all resulted in rejection, due to the placement of the fences within the District's right-of-ways.

✓ **Pump Station Update & Change Order Summary**

Mr. Ernest-Jones recalled settling problems at Pump Station #2. The senior electrical engineer was consulted and work is underway to correct the problems. In response to Mr.

Hulett's question, Mr. Ernest-Jones stated that he will receive information today. Mr. Ernest-Jones advised that the problems relate to the starting up and closing down sequences, as well as the fact that the pumps are drawing more power than they should be, when the head differential builds up from one side to the other. A full package of operating suggestions and recommended changes is forthcoming. It was discovered that both FPL transformers are undersized for the District's needs and FPL was contacted regarding changing the transformers. Mr. Ernest-Jones advised that all problems are being analyzed and he is confident that they will be able to turn over a fully operable system to the District.

Considering the problems, Mr. Hulett stressed that he wants the pump stations rigorously tested prior to accepting delivery. Mr. Ernest-Jones assured the Board that all problems will be resolved.

In light of the issues, Mr. Morera recalled his request that Mr. Ernest-Jones approach the pump manufacturer regarding extending the warranty. Mr. Donahue confirmed that the warranties do not begin until the District accepts delivery of the project. Mr. Morera questioned if the warranty can be extended beyond two (2) years and stated that, given the problems, he wants them to extend it to four (4) or five (5) years, as an assurance that everything is correct and future problems, which might not be surfacing now, are covered. Mr. Morera feels that MWI is trying to correct problems but he is not confident; he wants assurances. Mr. McKune pointed out that the ease with which MWI will agree to the desired extension would reflect their level of confidence in their work. Mr. Hulett reiterated his request that the systems be fully tested. Mr. Hulett confirmed that his comfort level with MWI has receded. Mr. Selchan stated that there is more than one issue; it is not all related to MWI.

Mr. Morera wondered if the Board should receive a full report of the day-to-day issues surrounding the pump stations, as he is now hearing of other issues, besides the problems he is currently aware of. Mr. Morera stated that he wants a full understanding of what is happening, why and what is being done to fix it. Mr. Selchan indicated that he has summaries of the electrical issues and the MWI problems and how they addressed them. Mr. Ernest-Jones reiterated that all problems will be resolved and likened the current issues to punch list items.

Ms. Heafy asked how common it is to have all of these problems. Mr. McKune felt that it is very common and Mr. Ernest-Jones concurred. Mr. Ernest-Jones discussed the complexity of the project and stated that there is never a case where there are no problems. Mr. Ernest-Jones

assured the Board that they should be completely comfortable that he is dedicated to getting a final solution.

Regarding Pump Station #2, Mr. Ernest-Jones indicated that the foundation wall for generator enclosure was poured. Mr. Donahue stated that they are rebuilding the wall; the generator was moved off its pad, the area was excavated and recompact and tests were conducted by the geotechnical engineers of the contractor and IBI Group.

Mr. Ernest-Jones will prepare a log of punch list of items to take the projects to completion.

✓ **Culvert W-55 and W-56 Update**

Mr. Ernest-Jones recalled the issues with the AT&T conduits discussed at the last meeting and noted that the issues were addressed. The Culvert W-56 work is complete and the top layer of asphalt will be poured shortly. Mr. Donahue explained the repaving process and assured that the dip will be covered.

Regarding Culvert W-55, the road was closed a week ago and progress is being made. The major issues have been traffic related. Mr. Donahue detailed the status of the project and anticipated reopening Coral Ridge Drive as soon as this time next week, bringing it to completion a week ahead of schedule. Mr. Ernest-Jones reported on the completed work and noted that the existing culverts are open and functioning, at all times. Mr. Donahue stated that his area is under the jurisdiction of Broward County; therefore, the county has its own level of required testing and a rigid inspection process.

▪ **Pump Station Change Order Summary**

******This item was presented out of order.******

Mr. Donahue indicated that The Weitz Company is close to issuing its final invoice for this project. He noted that there are a number of outstanding change orders and a few last minute things.

Mr. Donahue distributed a pump station contract and bond fund summary for the Board's information. Page 1 reflects the original guaranteed maximum price (GMP) of \$6,639,031. After savings related to direct purchase orders and shared savings, the current pump station contract obligation is \$6,484,566. Page 2 lists Change Orders #1 through #8, totaling \$1,708,591, for work outside of the pump station contract and with Change Order #8 related to Culverts W-55 and W-56. Page 2 identifies Change Orders #9 through #19, totaling \$298,463,

which are related to the pump station contract and listed as under consideration. Mr. Donahue indicated that Change Order #9 was approved.

Mr. Donahue reviewed Page 3 containing a detailed analysis of the use of the bond proceeds, by project.

Mr. Ernest-Jones asked Mr. Sharon, of The Weitz Group, to explain Change Order #9, in the amount of \$55,642, for an FPL time extension. Mr. Sharon indicated that the original plan was to begin work on Pump Station #2, followed by Pump Station #1, two (2) weeks later. It was realized that there was a problem with the existing power coming into the pump station. FPL was notified; however, it took them months to address the issue, causing such a long delay that The Weitz Group was forced to begin work on Pump Station #1 first. The \$55,642 Change Order is the result of The Weitz Group's eight (8)-week wait time for FPL to complete the necessary work. Mr. Morera asked if the cost is the result of FPL not responding to the District's timeline. Mr. Ernest-Jones replied affirmatively, stating that it is a genuine FPL delay; it took FPL ten (10) weeks to respond. Mr. Ernest-Jones indicated that, in the beginning, they did not think there would be an extended delay but it took much longer than expected for FPL to respond.

Mr. Morera questioned why the District cannot bill FPL for the additional costs and asked about recourse. Discussion ensued regarding the reason for FPL's delay. Mr. Sharon indicated that FPL was working on the power loop related to the transformer. Mr. Donahue added that FPL will pull workers, in the event of an emergency. Mr. Ernest-Jones and Mr. Sharon discussed the difficulties working with FPL and the general lack of responsiveness. To make it a matter of public record, Mr. Morera indicated that he would like to send a letter to FPL notifying them of the District's poor treatment by FPL and how much it is costing the residents.

Mr. Donahue explained the work related to Change Order #12, in the amount of \$39,974, related to bringing new water service to both pump stations.

Mr. Ernest-Jones assured the Board that each change order was reviewed critically and conservatively. He confirmed that the work performed was necessary for the overall improvement of the construction and ongoing maintenance of the pump stations and recommended approval of the change orders.

He detailed the work performed and rationale for Change Orders #13 through #19, also related to the pump stations.

Change Order #8, for \$1,176,389, and #18, for \$29,866, are related to the Culverts W-55 and W-56 project and, along with permitting costs of \$10,000 and engineering costs of \$50,000, the culvert project costs total \$1,266,255.

The Canal AA-BB ROW vegetation removal project totaled \$70,983. The Canal AA-BB and Z canals and culverts restoration totaled \$2,100,000.

Mr. Donahue explained that the initial bond proceeds were \$11,250,000. He reported that approximately \$308,980 of the bond proceeds remains after subtracting the pump station contract costs of \$6,629,566; Change Orders #1 through #7 for \$605,619; Change Orders #9 through #19 for \$268,597; Change Orders #8 and #18, plus other Culvert W-55 and W-56 costs, for \$1,266,255; Canals AA-BB ROW vegetation removal costs of \$70,983 and projected Canals AA-BB and Canal Z canals and culverts restoration costs of \$2,100,000.

Regarding additional work, Mr. Ernest-Jones indicated that they plan to widen Canal Z, which presented itself as an impediment or blockage to the flow. He advised that significant head losses were discovered on the bridge passing over Coral Springs Drive, on the canal leading to Pump Station #2; there is a lot of sediment around the bridge that must be cleaned. Canal Z will be widened and deepened. Mr. Ernest-Jones explained the canal conditions and water flow.

Mr. Donahue indicated that the plans are ready for advertisement. He hopes to open bids, have a recommendation ready for the Board's consideration at the November meeting and commence work in December. Mr. Hulett asked if the Board can review the bid specifications. Mr. Donahue replied affirmatively.

Mr. Morera voiced his annoyance with Change Order #9, related to the FPL time extension.

Mr. Runge asked if a mechanical engineer performed a proper vibration analysis on the pumps. Mr. Donahue replied affirmatively.

On MOTION by Mr. Morera and seconded by Ms. Heafy, with all in favor, Change Orders #9 through #19, totaling \$298,463, were approved.

✓ **Canal AA-BB Vegetation Removal Update**

Mr. Donahue confirmed that he is generally pleased with the services provided by All County Tree & Landscape Co., Inc.. Regarding concerns about stumps, he noted that they are

cutting now and will return later to determine if stump grinding will be done or if the stumps will be left flush. Mr. Donahue advised that the mitigation costs related to tree removal amounts to approximately \$23,000.

Mr. Donahue indicated that permits were submitted to Mr. Westfall for the area along Coral Springs Christian Academy and two (2) individual lots. Mr. Westfall plans to have the mitigation and permit paperwork to the District by the end of the week. Mr. Donahue has submitted the plans to All County and an estimate is pending.

Mr. Morera recalled discussion of the pump station fencing. Mr. Donahue confirmed that black vinyl chain link will be used.

Mr. Ernest-Jones indicated that minor cleanup related to demolition of the old pump station structures, remains. Mr. Hulett asked if the concrete could be pressure cleaned. Mr. Ernest-Jones did not think pressure cleaning was a viable solution and suggested painting the concrete. Mr. Selchan advised against painting and thought sandblasting is a better option.

C. Field Supervisor: *Cory Selchan*

Regarding Tropical Storm Isaac, Mr. Selchan indicated that pumping started on Thursday, in preparation for the District to accept eight (8) to ten (10) inches of rain. Pumping took place all day Thursday, Friday, Saturday and continued through Tuesday. Mr. Selchan advised that the District received total rainfall of approximately 14 inches. He reported that over eight (8) inches was received on Sunday, from 10:00 a.m., to midnight, which is when the western system became overwhelmed. On Sunday, the FPL transformer went out and power was lost at Pump Station #2. A temporary generator was used for limited power; once that occurred, not all four (4) pumps were running at the same time. Mr. Selchan felt that the power outage did not allow the District to pump at full capacity, along with the permanent generator offline, so one could not see the full benefit of the new culverts and pump stations. Mr. Selchan confirmed that, although it looked bad, no homes flooded.

Mr. Selchan voiced his appreciation to the Board for dedicating Pump Station #2 in his honor.

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

i. Unaudited Financial Statements as of July 31, 2012

Mr. Wrathell presented the Unaudited Financial Statements as of July 31, 2012 and the unreconciled cash balances. He pointed out the three (3) new savings accounts, each containing

\$249,000. Mr. Wrathell referred to Page 2, noting that assessment collections were at 102% through the end of July, which means that some did not take advantage of the 4% early pay discount.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, the Unaudited Financial Statements as of July 31, 2012 were approved.

ii. Fiscal Year 2013 Proposed Meeting Schedule

Mr. Wrathell presented the proposed meeting schedule for Fiscal Year 2013.

It was noted that the heading should reflect Sunshine Water Control District, not Sunshine Water Community Development District.

Regarding the \$56.10 portion of the assessment, which should remain consistent year-to-year, Mr. Ernest-Jones asked if the number of assessable units decreases, what is the impact on the bond assessment. Mr. Wrathell indicated that the bond amortization schedule will vary slightly each year. He noted that the property owners cannot be assessed more. Mr. Wrathell explained that overages in collections as a result of people not realizing the 4% early pay discount, along with interest earnings and other items, allows the District to absorb the difference.

On MOTION by Ms. Heafy and seconded by Mr. Morera, with all in favor, the Fiscal Year 2013 Proposed Meeting Schedule was approved.

iii. Pump Station Dedication

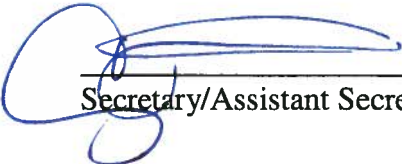
- **Prospective Dates**
- **Potential Invitees**

This item was deferred to the next meeting.


FIFTEENTH ORDER OF BUSINESS

Adjournment

There being no further business, the meeting adjourned at 10:22 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair