

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

The Board of Supervisors of the Sunshine Water Control District held a Regular Meeting on December 4, 2019, at 6:00 p.m., at Sartory Hall, located in Mullins Park, 10150 NW 29 St. (Ben Geiger Drive), Coral Springs, Florida 33065.

Present at the meeting were:

Joe Morera	President
Daniel Prudhomme	Vice President
John Tornincasa	Secretary

Also present were:

Cindy Cerbone	District Manager
Al Malefatto	District Counsel
Jim Maguire	Craig A. Smith & Associates, Inc.
Steve Smith	Craig A. Smith & Associates, Inc.
Cory Selchan	Field Superintendent
John McKune	Engineering Consultant
Mike Wilson (via telephone)	Nelson, Mullins, Broad and Cassel LLP
Jeremy Springhart (via telephone)	Nelson, Mullins, Broad and Cassel LLP
Patty Villaran	Arthur Gallagher
Court Reporter	

FIRST ORDER OF BUSINESS

Call to Order

Mr. Morera called the meeting to order at 6:00 p.m.

SECOND ORDER OF BUSINESS

Roll Call

Ms. Cerbone called the roll. All Supervisors were present, in person.

THIRD ORDER OF BUSINESS

Pledge of Allegiance

All present recited the Pledge of Allegiance.

FOURTH ORDER OF BUSINESS

**Recess Regular Meeting/Commencement
of Executive Session**

Mr. Malefatto stated the purpose of the Executive Session was to discuss a settlement in the litigation case.

The Regular Meeting recessed and the Executive Session commenced at approximately 6:02 p.m.

FIFTH ORDER OF BUSINESS

Termination of Executive Session/Reconvene Regular Meeting

The Executive Session concluded at 6:45 p.m.

The Regular Meeting reconvened at 6:55 p.m.

Mr. Malefatto stated the Executive Session to discuss a potential settlement in the IBI litigation had concluded. He and Ms. Cerbone concurred with the recommendation of litigation attorney, Mr. Mike Wilson, of Nelson, Mullins, Broad and Cassel LLP, to accept the IBI settlement offer, which was their best and final offer; otherwise, the case would go to trial. The settlement amount would cover all repair costs and legal fees; however, not all pre-litigation costs involved in investigating the problem.

Mr. Wilson discussed the items the settlement would cover, including all the participating costs to repair, all attorney fees and some of the pre-litigation costs incurred by the District. The offer included a contingency amount and, if the actual repair costs were less than the actual estimates, there may be more money available to fund remaining costs.

On MOTION by Mr. Prudhomme and seconded by Mr. Tornincasa, with Mr. Prudhomme and Mr. Tornincasa in favor and Mr. Morera dissenting, accepting the IBI settlement offer of \$3,750,000, was approved. [Motion passed 2-1]

Mr. Wilson stated that opposing counsel would be notified that the District accepted the settlement offer; the settlement agreement and release forms would be sent to Mr. Malefatto for his review.

On MOTION by Mr. Tornincasa and seconded by Mr. Prudhomme, with all in favor, authorizing the President to execute all settlement related documents prepared by outside counsel, subject to final legal review by District Counsel, was approved.

Mr. Morera stated that he dissented from approval of the settlement offer because he felt that the District should have received more from IBI.

SIXTH ORDER OF BUSINESS

Public Comments [3-Minute Time Limit]
(Comments should be made from the microphone to ensure recording. Please state your name prior to speaking)

There being no public comments, the next item followed.

SEVENTH ORDER OF BUSINESS

Presentation and Approval of Employee Health Care Plan

Ms. Cerbone distributed a final version of the Health Care Analysis prepared by Ms. Patty Villaran, of Arthur Gallagher, and stated she was pleased with the minimal increase, which was the lowest in years.

Ms. Patty Villaran presented the following options available in market:

- Healthcare: AvMed’s rates increased 8%, where as the increase from other providers with similar plan costs were much higher. She too was pleasantly surprised of the minimal increase, the lowest seen for any of her clients, and stated that AvMed would like the District to change its plan, as it would not be offered again.
- Dental: Ameritas’ rates increased 8%; however, no changes were made to the plan. Other providers’ rates were much higher and did not offer similar plans.
- Vision: Ameritas’ rates remained the same, with no changes in benefits; other providers’ rates were slightly less but had minor changes in the plan.
- Life and Disability: The plan would remain as is; a renewal does not apply to long-term and short-term disability.

On MOTION by Mr. Tornincasa and seconded by Mr. Prudhomme, with all in favor, renewal of the existing AvMed employee medical plan, based on the recommendation of Ms. Villaran, of Arthur Gallagher, and with no changes to the carriers for Dental, Vision, Short and Long-Term Disability and Life Insurance and/or Accidental Death & Dismemberment Coverage, for calendar year 2020, at the rates proposed, was approved.

EIGHT ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of October 31, 2019

Ms. Cerbone presented the Unaudited Financial Statements as of October 31, 2019.

On MOTION by Mr. Tornincasa and seconded by Mr. Prudhomme, with all in favor, the Unaudited Financial Statements as of October 31, 2019, were accepted.

NINTH ORDER OF BUSINESS

Approval of Minutes

A. November 13, 2019 Regular Meeting

Ms. Cerbone presented the November 13, 2019 Regular Meeting Minutes.

On MOTION by Mr. Prudhomme and seconded by Mr. Tornincasa, with all in favor, the November 13, 2019 Regular Meeting Minutes, as amended to incorporate all edits previously submitted to Management, were approved.

B. November 20, 2019 Continued Regular Meeting

Mr. Morera presented the November 20, 2019 Continued Regular Meeting Minutes.

On MOTION by Mr. Tornincasa and seconded by Mr. Prudhomme, with all in favor, the November 20, 2019 Continued Regular Meeting Minutes, amended to incorporate all edits previously submitted to Management, were approved.

TENTH ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

ELEVENTH ORDER OF BUSINESS

Supervisors' Communications

Mr. Prudhomme hoped everyone had a nice Thanksgiving and wished everyone Merry Christmas, Happy Hanukkah and Happy New Year.

Mr. Tornincasa concurred with Mr. Prudhomme's sentiment. He stated he was uncertain whether he would be able to attend the annual holiday luncheon. He thanked

everyone for the gift basket. He believed the outcome of the lawsuit was good and complimented District Staff on a good job.

Mr. Morera asked about the Federal Emergency Management Agency (FEMA) claim. Ms. Cerbone stated the Consultant indicated that the Coral Springs Improvement District (CSID) did not receive reimbursement funds, nor did the City of Coral Springs, despite the City completing work and filing its claims in advance of the CSID or this District. The Consultant responded to a follow up request from FEMA about ten days ago. Mr. Selchan stated the Consultant informed him that FEMA’s process changed to sending funds from outstanding claims directly to the State; therefore, the District was waiting for reimbursement from the State, rather than FEMA. KPMG, the State’s Contractor, was reviewing the District’s claim.

Mr. Morera thanked everyone for their contribution to the operation of the District and in serving the residents. He wished Mr. Tornincasa a speedy recovery. He wished everyone a Merry Christmas, Happy Hanukkah, Kwanzaa and a healthy and prosperous New Year.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Lewis, Longman & Walker, P.A.*

Mr. Malefatto congratulated Mr. Wilson and Mr. Springhart on an excellent job with the IBI litigation and stated that he respected Mr. Morera’s vote pertaining to the settlement but commended Counsel’s position in serving the District rather than proceeding with trial and collecting additional revenue.

B. District Engineer: *Craig A. Smith & Associates*

I. Presentation: Monthly Report

- a. Proposed Capital Projects**
- b. Permit Applications**

Mr. Maguire stated that the notice to proceed on the Canal 20-1A improvement project was sent; the project would commence January 6, 2020. A pre-construction meeting was scheduled for next Tuesday. The Country Club has shown no interest in performing work on its side simultaneously with the District.

Mr. Smith stated that the Phase 1 soil testings at all six crossings in the West Outfall Canal were 95% completed; he hoped to present the Contractor’s Report at the next meeting. Phase 2, analysis and design, would begin at the vehicular bridges first, unless the District

preferred another location. Mr. Selchan agreed that Phase 2 should start at the bridges, followed by the pipe crossing and pedestrian bridge.

Mr. Morera asked for an update on the AT&T contractor that damaged a culvert during drilling. Mr. Selchan stated Mr. Rubio was following up and would advise the contractor that, unless they respond in a timely manner as to whether they are the responsible party, the District would have the repairs made and send them the bill. Discussion ensued. Mr. Smith would instruct Mr. Rubio to document his call with the Contractor via email and copy District Staff.

Mr. Smith stated Mr. Rubio was reviewing a permit application for the Waste Transfer Station, culvert crossing. A Letter of No Objection (LONO) was issued for modifying the communication tower at 11711 West Sample Road.

C. District Engineering Consultant: *John McKune*

Mr. McKune stated he was happy to hear about the settlement and commented on the positive experience working with Mr. Wilson and Mr. Springhart. He hoped remediation would begin in early 2020.

D. District Field Supervisor: *Cory Selchan*

Mr. Selchan reported the following:

- Little rainfall was received. The dry season continues and canal levels were expected to decrease.
- Treatment of the canals and removal of aquatic plants on the canals continued. The canals continued to look pretty good, in preparation of the upcoming holidays.

Mr. Selchan thanked the Board for renewing the employee health plan, wished Mr. Tornincasa a speedy recovery and echoed Mr. McKune's thoughts about the positive experience with the litigation attorneys and recent settlement. He looked forward to remedying as many items as possible with the settlement funds. He was proud of the District and thanked everyone for their hard work.

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

I. Continued Discussion: Obstructions Removal

Ms. Cerbone recalled discussion of the Board's position on addressing obstructions in the District's right-of-way (ROW), which was to only address new vegetation and not existing items. After a request, a homeowner relocated new vegetation, refused to move existing

vegetation and brought up her neighbor who recently added new plantings to existing ones in the ROW. Discussion ensued regarding how the Board wanted to address the matter and whether to notice residents on an individual basis or send notices to a row of homes. Ms. Cerbone distributed a map that identified CSID property owners.

Mr. Selchan stated the neighbor’s bamboo plantings would not affect the District, in a wind event, as much as the coconut palms and citrus trees planted by the resident. Ms. Cerbone and Mr. Selchan would draft a notice for Mr. Malefatto’s review and present it in the New Year.

II. NEXT MEETING DATE: January 8, 2020 at 6:30 P.M.

Ms. Cerbone stated the June 2020 meeting conflicts with the Florida Association of Special Districts (FASD) conference; a decision whether to change the date would be made closer to the date.

The next meeting will be held on January 8, 2020 at 6:30 p.m.

○ **Quorum Check**

This item was not addressed.

Mr. Smith stated that he understood Mr. Morera’s stance on the settlement but noted that, at least they can take action sooner rather than later. They would work with Staff to determine the most efficient and effective uses for the funds that would be the best solutions and in the best interests of the District. He commended the efforts of the litigation attorneys.

Mr. Malefatto stated, after two mediations, this was the first really decent settlement offer received.

Ms. Cerbone stated, rather than placing the settlement funds in the “unassigned” budget line item, she would present ideas after she consults with the accounting department, so that a budget amendment can be prepared.

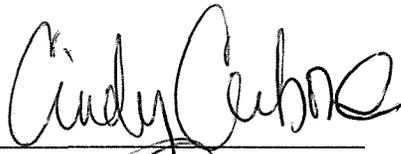
Ms. Cerbone asked everyone to RSVP to the annual holiday luncheon.

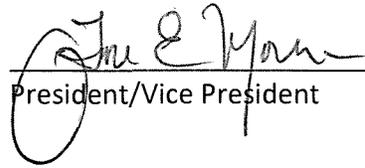
THIRTEENTH ORDER OF BUSINESS

Adjournment

There being no further business to discuss, the meeting adjourned.

On MOTION by Mr. Morera and seconded by Mr. Tornincasa, with all in favor, the meeting adjourned at 8:18 p.m.


Secretary/Assistant Secretary


President/Vice President