

**MINUTES OF MEETING
SUNSHINE WATER CONTROL DISTRICT**

The Board of Supervisors of the Sunshine Water Control District held a Regular Meeting on May 11, 2022 at 6:30 p.m., at the La Quinta Inn Coral Springs, 3701 N. University Drive, Coral Springs, Florida 33065.

Present were:

Joe Morera	President
Ivan Ortiz	Vice President

Also present were:

Cindy Cerbone	District Manager
Jaimie Sanchez	Wrathell, Hunt and Associates, LLC
Al Malefatto	District Counsel
Chris Lyon	Lewis, Longman & Walker, P.A.
Orlando Rubio	District Engineer
Cory Selchan	Field Superintendent
John McKune	Engineering Consultant
Mark Sirchio	Rio-Bak Corporation (Rio-Bak)
Brad Larsen	NFP

FIRST ORDER OF BUSINESS

Call to Order

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

SECOND ORDER OF BUSINESS

Roll Call

Supervisors Morera and Ortiz were present, in person. One seat was vacant.

THIRD ORDER OF BUSINESS

Pledge of Allegiance

All present recited the Pledge of Allegiance.

FOURTH 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)

No members of the public spoke.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2022-05, Declaring a Vacancy on the Board of Supervisors; Consider Appointment to Fill Unexpired Term of Seat 3 (*Term Expires at Next Landowners' Meeting, March 2023*); and Providing an Effective Date

Ms. Cerbone presented Resolution 2022-05. This Resolution declares the vacancy and appoints someone to fill the vacant seat.

Mr. Morera nominated Mr. Ed Khouri to fill the vacant seat.

No other nominations were made.

On MOTION by Mr. Morera and seconded by Mr. Ortiz, with all in favor, appointment of Mr. Ed Khouri to fill the vacant seat, Term Expires March 2023, was approved.

Ms. Cerbone stated she contacted Mr. Khouri and he would attend the next meeting, wherein he would be sworn in.

- A. Administration of Oath of Office to Newly Appointed Supervisor (*the following to be provided in a separate package*)**
 - I. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
 - II. Membership, Obligations and Responsibilities**
 - III. Financial Disclosure Forms**
 - a. Form 1: Statement of Financial Interests**
 - b. Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - c. Form 1F: Final Statement of Financial Interests**
 - IV. Form 8B – Memorandum of Voting Conflict**

This item was deferred.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2022-06,
Designating Certain Officers of the District,
and Providing for an Effective Date**

This item was deferred to the next meeting.

SEVENTH ORDER OF BUSINESS

**Update: PS1, PS2 and WOFC Phase 2B
Project**

Mr. Rubio gave the following update:

- The project is almost complete. The contractor is sodding the canal banks and should be done by Friday.
- There was an issue at the intake a few weeks ago. A bar was being installed and the pump was pulled out horizontally instead of vertically and hit a bar. A few adjustments had to be made to the beams and pumps, which involved some disassembling and re-assembling.
- Rio-Bak and the structural Engineer made quick modifications, which were transmitted to the subcontractor, and the issue was resolved within days.
- Because of the necessary disassembling and re-assembling, Rio-Bak submitted a change order to the subcontractor.

In response to Mr. Morera’s question, Mr. Selchan stated that the retrofits were extended for a much larger motor in order to keep the water level down because the District is down two pumps. There are no issues; operations are continuing with the old motors and he was assured that the two motors that are gone would be back before or upon the start of hurricane season.

In response to Ms. Cerbone’s question regarding his update, Mr. Rubio stated the Rio-Bak project is fine, the Current Connections Inc. (CCI) electrical work is delayed until after November because of product delivery issues. Mr. Selchan stated Staff has learned how to manage the situation and would await the dry season to complete the electrical upgrades. Mr. Morera thanked Mr. Sirchio for Rio-Bak’s quick response and collaboration with the District Engineer to maintain the project and to keeping it moving forward.

Mr. Sirchio left the meeting.

EIGHTH ORDER OF BUSINESS**Presentation: NFP Pension Plan Review**

Ms. Cerbone recalled previous discussions about the existing pension plan and the Board's request for additional information regarding different options to consider. A few firms that provide fiduciary consulting services were contacted and, from that effort, Mr. Brad Larsen, of NFP, was invited to give a presentation.

Referencing a Retirement Plan Consulting document, Mr. Larsen reviewed NFP's Retirement Plan Consulting Services, background, clientele list and qualities that make NFP different from similar firms, such as proactive problem solving, providing new ideas and its unique services. Mr. Larsen discussed investment options, automatic enrollment, plan design, Employee Retirement Income Security Act (ERISA) best-practices, fiduciary governance, 404C regulations and compliance, educating pension plan participants, bonds and insurance, conflicts of interest, prohibited transactions and plan costs. Mr. Larsen stated that, if NFP is engaged to be the District's fiduciary, the District's plan costs would be reduced.

Mr. Larsen responded to questions regarding the net difference between NFP's costs versus the current retirement plan, how the increasing interest rates would impact the rate of return on investment, automatic contribution, fiduciary responsibility, NFP's educational services and the total plan costs.

Discussion ensued regarding Mission Square's asset allocation, switching to NFP, a target-dated fund, investment options, basis points, cost savings, annuities and employee benefits.

Mr. Larsen voiced his opinion that the plan will more than pay for itself but it will take a renovation of the existing plan, which will help NFP design the best plan for District employees. Ms. Cerbone stated perhaps the goal is that, in the next three to five years, the District bears the expense of a consultant directly, builds up the plan value and then transitions to having the plan cover part of the third-party consultant.

Mr. Morera asked about the timeline for transitioning to NFP. Mr. Larsen replied 60 to 90 days. District Counsel suggested that Mr. Larsen draft paperwork and transmit it District Staff for consideration at the next meeting.

Mr. Larsen left the meeting.

▪ **Acceptance of Unaudited Financial Statements as of March 31, 2022**

This item, previously the Tenth Order of Business, was presented out of order.

Ms. Sanchez presented the Unaudited Financial Statements as of March 31, 2022.

On MOTION by Mr. Ortiz and seconded by Mr. Morera, with all in favor, the Unaudited Financial Statements as of March 31, 2022, were accepted.

▪ **Approval of April 13, 2022 Regular Meeting Minutes**

This item, previously the Eleventh Order of Business, was presented out of order.

Ms. Sanchez presented the April 13, 2022 Regular Meeting Minutes. She stated Staff received edits from District Counsel and the District Engineer, which have yet to be incorporated.

District Counsel edits:

Line 189: change “denied” to “recommended denial of”

Line 222: Insert “but it was decided that would not be necessary” after “remediation”

District Engineer edit:

Line 212: Change “Worth” to “Werth”

The following additional change was made:

Line 178: Chang “an” to “a Lynn Johnson”

On MOTION by Mr. Ortiz and seconded by Mr. Morera, with all in favor, the April 13, 2022 Regular Meeting Minutes, as amended and incorporating edits previously submitted to Management, were approved.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2022-07, Approving a Proposed Budget for Fiscal Year 2022/2023 and Setting a Public

Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date

Ms. Cerbone presented Resolution 2022-07 and read the title. She reviewed the proposed Fiscal Year 2023 budget, highlighting any line item increases, decreases and adjustments, compared to the Fiscal Year 2022 budget, and explained the reasons for any adjustments. Ms. Cerbone stated that there would be an increase in assessments.

Mr. Rubio elaborated on the status of the Engineering projects listed under the "Engineering - capital outlay" line item.

Ms. Cerbone noted the following changes that would be made:

Under "Professional & administration": Insert \$10,000 "Fiduciary Consultant" line item

Under "Professional & administration": Insert \$25,000 "Supervisor Healthcare" line item

Fund balance would be adjusted to remain at a 3% increase.

On MOTION by Mr. Ortiz and seconded by Mr. Morera, with all in favor, Resolution 2022-07, Approving a Proposed Budget for Fiscal Year 2022/2023, as amended, and Setting a Public Hearing Thereon Pursuant to Florida Law for September 14, 2022 at 6:30 p.m., at the La Quinta Inn Coral Springs, 3701 N. University Drive, Coral Springs, Florida 33065; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability, was adopted.

TENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of February 28, 2022

This item was presented following the Eighth Order of Business.

ELEVENTH ORDER OF BUSINESS

Approval of April 13, 2022 Regular Meeting Minutes

This item was presented following the Eighth Order of Business.

TWELFTH ORDER OF BUSINESS**Supervisors' Communications**

Mr. Morera stated he was glad that a new Board Member was appointed who would provide a new perspective. He stated that, overall, the WOFC Phase 2B Project is progressing smoothly. He thanked the Engineering team including Mr. Rubio, Mr. Selchan and Rio-Bak for their hard work and dedication.

THIRTEENTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: *Lewis, Longman & Walker, P.A.***

Mr. Malefatto stated that, during the recent Legislative Special Session, Senate Bill 4C was passed. As a result of this, effective June 1, 2023, the SWCD will be dissolved. Fortunately, there is a provision in the Bill that allows the District to be re-established on or after June 1, 2023.

Mr. Lyon gave the backstory of the Florida Governor's issue surrounding the Reedy Creek Improvement District (RCID) and stated the current Bill specifies that any District established prior to 1968 that has not been re-established, will be dissolved, effective June 1, 2023. Six Districts are in this category and the Sunshine Water Control District (SWCD) and the Reedy Creek Improvement District are among them. While the legislation was not aimed at the SWCD, it was passed at the State level because it could not be done as a local bill, which is how five other Districts became involved, in addition to the RCID. Mr. Lyon voiced his opinion that the Legislature will re-establish the RCID because Disney is too important to the State.

Mr. Lyon outlined the following steps the SWCD must take to get re-established:

- Pass a local bill through the Broward County Delegation to be re-established.
- Advertisements must be placed in the local newspapers before it can be filed in Tallahassee.
- Once filed, it goes through the normal committee process in the Legislature.
- Staff would attend Delegation meetings.

Mr. Lyon stated that his firm has been lobbying, preparing local bills and representing Special Districts in the Legislature for over 20 years and he already conferred with the House Staff in charge of the matter, and they are anticipating the local Bill. He recently met with

Representative Daley, who is committed to helping the SWCD; however, there are obstacles and the legislative process is fraught with danger.

Mr. Lyon responded to questions regarding the referendum, coordinating with the other affected Districts, the SWCD’s charter, timeline for re-establishment, getting help from politicians, Disney and the RCID, the Delegation that would consider the re-establishment request, legislative contacts and next steps. The consensus was to engage Lewis, Longman & Walker, P.A., to re-establish the District.

On MOTION by Mr. Ortiz and seconded by Mr. Morera, with all in favor, entering into an Agreement with Lewis, Longman & Walker, P.A., for representation to re-establish the Sunshine Water Control District, on or about June 1, 2023, in a no- to-exceed amount of \$77,000, authorizing the Chair to execute an Engagement Letter, subject to ratification at the next meeting, was approved.

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

- **Presentation: Monthly Engineer’s Report**

This item was presented during the Seventh Order of Business,

C. District Engineering Consultant: *John McKune*

There was no report.

D. District Field Supervisor: *Cory Selchan*

Mr. Selchan reported the following:

- Water levels were low.
- Pumping was performed to maintain the low water level.
- The current canal project is going very smoothly; there were a few setbacks but the team came together to overcome them very quickly.
- The contractor stripped away a few plants in the right-of-way (ROW) to install fencing to keep individuals out of the project area, which resulting in resident complaints. Staff worked with the homeowners and everything was rectified.
- Sodding should be completed by Friday.

- **Consideration of Estimates for Removal of Dead Palm Tree from District’s Canal Bank – 3801 Lancewood Drive**
 - I. **NTTI Acquisition, LLC, Estimate 1019**
 - II. **Just Call James, Inc., Estimate 1115**

Mr. Selchan presented the proposals to remove a dead palm tree in the District’s ROW. The recommendation was to engage NTTI, as the \$300 estimate is the most affordable.

On MOTION by Mr. Ortiz and seconded by Mr. Morera, with all in favor, NTTI Acquisition, LLC, Estimate 1019, in the amount of \$300, was approved.

- E. **District Manager: *Wrathell, Hunt & Associates, LLC***
 - **NEXT MEETING DATE: June 8, 2022 at 6:30 P.M.**
 - **QUORUM CHECK**

The next meeting would be held on June 8, 2022.

FOURTEENTH ORDER OF BUSINESS

Adjournment

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

On MOTION by Mr. Ortiz and seconded by Mr. Morera, with all in favor, the meeting adjourned at 9:02 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



President/Vice President