

MINUTES

Tindall Hammock Irrigation and Soil Conservation District

Joint Landowners and Supervisors Meeting

Wednesday, September 9th, 2015 at 4:30 p.m.

3941 SW 47th Avenue, Davie, FL

Call to Order:

The Chair H. Collins Forman, Jr. called the Joint Meeting of the Landowners and Supervisors of the Tindall Hammock Irrigation and Soil Conservation District to order at 4:30 p.m. The meeting notice had been duly posted.

Roll Call:

The District Clerk called the roll. A quorum was present.

Supervisors:

Present:

Chair H. Collins Forman, Jr., Dr. Walter Forman and Eric Forman

Also Present:

Douglas R. Bell, Esquire, Patricia Mahaney (*Everhart Management Group*), Pat Gibney, P.E. (*Craven Thompson & Associates*), Jay Ameno, P.E. (*GAI*), and Bob Salerno (*Fern Crest*), M. Austin Forman (landowner), Amanda Hart (landowner) and Barry Malin (representing ELM).

The Chair declared a Joint Meeting of Landowners and Supervisors is in session.

Chair's report on state of the District

The Chair reported that the state of the District is strong. The Chair reported that he is pleased with the performance of the management company, Everhart Management Group, which was hired in the previous year and is now in its second year. The Chair reported that the District auditor is pleased with the District's performance. The Chair reported that he is pleased with the District operations and staff. He was also pleased to report that the District had faced no major hurricanes in the past year. The Chair reported that he was satisfied with the capital and operational plan going forward that was structured to address the remaining items requiring attention at the utility plant. The Chair reported that he was not aware of any deficiencies. The Chair reported that he is satisfied with the proposed budget and intends to recommend a reduction in the tax millage rate to 2.9000 mills. The Chair has a very positive outlook for the long-term financial health of the District.

Treasurer's report

Review and approval of July 2015 Interim Financial Statement

Mrs. Mahaney presented the interim financial statement for the month of July 2015. Mrs. Mahaney reported that as of September 4, 2015, the District had approximately \$1.7 million in cash and also a balance remaining due to R.J. Sullivan for the Utility Capital Improvement Plan contract of approximately \$210,000. Mrs. Mahaney reported that there were no extraordinary items to report for the July financial statement. Mrs. Mahaney reported she had received information concerning an approximate \$71,000 reduction in District ad valorem tax revenue relating to errors & omissions. Mrs. Mahaney reported that she had factored this information into the opening cash balances used in preparation of the proposed 2015/2016 budget. The Chair entertained a motion to approve the July 31, 2015 interim financial statement.

Motion #1:

Dr. Walter Forman made a motion to approve the July 31, 2015 interim financial statement. Eric Forman seconded the motion. The motion carried.

Attorney's report

Mr. Bell provided an update on the DOT Condemnation proceedings for additional Turnpike Right-of-Way. Mr. Bell reported that the condemnation is still ongoing and the trial calendar call is scheduled for November 30, 2015. Mr. Bell reported that he expects the trial to be continued again.

Mr. Bell provided an update on Special District Legislation proposed for 2016. Based on a recent conversation with the District lobbyist, Mr. Bell reported that there does not seem to be any significant legislation at this time that would affect the District. Mr. Bell reported that he will be receiving regular updates and will update the Board accordingly.

Mr. Bell reported that he is still working on additions and amendments to District's Permit Criteria Manual.

Mr. Bell reported that the recommendation made at the last meeting to follow the Town of Davie's Backflow Prevention and Water interconnect Program [Backflow and Interconnect Control Program] is not feasible as the Town has not updated its program. Mr. Bell reported that there have been significant changes to the Florida Administrative Code in 2014 that the Town has not incorporated into their program. He reported that he has spoken with the Town's utility director who advised Mr. Bell that the City of Fort Lauderdale's updated program may be the best one to follow. Mr. Bell is working with Mr. Ameno on this update. The Chair inquired as to the identity of the Town's utility director to which Mr. Bell responded Don Baylor. The Chair requested that Mr. Bell provide the Supervisors with copies of the program. Mr. Bell reported that he hoped to have this item ready for approval at the next meeting.

Discussion on status of Development Projects:

Mr. Bell reported that he has spoken with the attorney for the IDI [Davie Business Center] Building B Development. Mr. Bell reported that she is finalizing the Developers Service Agreement. Mr. Bell reported that he had sent out an email to her earlier in the day confirming the number of ERCs after consultation with Mr. Ameno. Mr. Bell and Mr. Ameno reported that they needed to review the allocation of office versus warehouse space once the building is full. The Chair requested that Mr. Bell and Mr. Ameno keep this as an open item to do. Mr. Bell also reported that he had notified IDI that based on the current configuration and proposals, IDI will need to acquire approximately an additional 46 ERCs. Mr. Ameno reported that at present IDI had 96 ERCs and had utilized 14-15. Mr. Ameno anticipates that Building B will require approximately 19 to 20 ERCs.

Mr. Bell reported that there is nothing to report on IDI [Davie Business Center] Phase II Development other than it appears that IDI wants to have a separate agreement with the District for each building. Mr. Bell reported that he feels that his may actually be helpful to the District.

Mr. Bell reported that he is still waiting for the Broward County Health Department (BCHD) acceptance on the Bridge Point Davie development. Mr. Ameno reported that they had been on site to check the facilities but cannot move forward without the BCHD acceptance.

Engineer's report [Craven, Thompson and Associates]

Status of ongoing and proposed District Projects

Mr. Gibney reported that in the past year the District had received a total of five applications for permits for drainage. He reported that he is expecting an additional three before the end of September bringing the fiscal year total to eight.

Mr. Gibney reported that six (6) five year renewal certifications have been completed.

Mr. Gibney reported that the IDI building B is under construction as discussed earlier.

Mr. Gibney reported that I-595 construction and condition of culverts under I-595 issue is ongoing and presently with the Florida Department of Transportation (FDOT). He reported that Dragados had submitted a plan to FDOT, which Mr. Gibney had approved and they are waiting on FDOT approval. The plan will provide access at the angle point.

Mr. Gibney reported that Shenandoah will be starting work within the week on the blocked culvert.

Mr. Gibney reported that the 60" culvert adjacent to the plant had been cleaned the previous winter. Mr. Gibney reported that Shenandoah has cleaned the 30" outfall off SW 49th Way to the rock pit. Mr. Gibney reported that the draft facilities report had been distributed the previous week. Mr. Gibney requested that any comments be provided to him as he would like to finalize the report. To date, he has received only a few responses.

Update on 5 year Capital Improvement Program for drainage improvements

Mr. Gibney reported that the float activation system for the pump stations and the Haul Road culvert will be designed this fiscal year. The actual construction of the culvert will begin in a future year once the design and cost determination are complete.

Engineer’s report [GAI Consultants, Inc.]

Bid proposals for 500 kW Generator Improvements for Utility Plant

Mr. Ameno presented the analysis of Bid proposals received for the 500 kW Generator Improvements for the District’s Utility Plant. Mr. Ameno reported that he had received a bid of \$454,000 and he is not making a recommendation to award the bid. Mr. Ameno reported that due to the short time frame, only the one bid was received. Mr. Ameno reported that he had previously received two quotes directly from generator manufacturers in the amounts of \$ 152,000 from Detroit Diesel and \$179,000 from Generac for the machine alone. Based on the significant variance and in light of the fact that the utility already has an automatic transfer switch (ATS) in place, he is not making a recommendation to award the bid. Mr. Ameno advised the Board of two options. The first is to respond to the bidder and ask that they respond with a more appropriate bid. The second option is for the District to purchase the generator directly and then obtain proposals for the electrical installation. Mr. Austin Forman suggested that the District reject the bid rather than trying to negotiate due to the significant variance. Further, Mr. Forman supported Mr. Ameno’s suggestion to purchase the generator directly. Mr. Ameno was directed to request bids for the generator as recommended. Mr. Forman commented that obtaining proposals to complete the slab and electrical work would open up an opportunity for the local business community to provide the work, especially for those businesses that do not have the capital to acquire the generator. The Chair entertained a motion to reject the bid proposal that was received.

Motion #2:

Dr. Walter Forman made a motion to reject the bid proposal for a 500 kW generator as received by GAI Consultants Inc. Eric Forman seconded the motion. The motion carried. The Chair requested that Mr. Ameno notify the bidder.

Update on 5 year Capital Improvement Program for Water and Wastewater improvements

Mr. Ameno reported that the R. J. Sullivan contract is in its final stages with final check-out work being completed. Mr. Ameno reported that the contract itself has been subject to five change orders totaling \$261,946 bringing the contract total to \$4,401,946. Mr. Ameno reported that the key change order was for the new FDEP requirements for effluent piping at a cost of \$162,000. Mr. Ameno provided the Supervisors with pictures both before and after the improvements for all of the key items addressed in the Improvement project.

Status of ongoing and proposed District Projects

Mr. Ameno reported that the District is one year into the FDEP 5-year operational permit. Mr. Ameno reported that he is currently addressing the requests for additional information for the operating permit one of which is the backflow prevention control program discussed earlier in the meeting and noted that additional monitoring is required. Mr. Ameno reported that the Broward County Wastewater permit was renewed without issue.

Mr. Ameno reported that Mr. Salerno had prepared a new plan for water sampling and the plan has been accepted. Mr. Ameno reported that the new sampling points specifically designed for that purpose have been installed. The Chair inquired of Mr. Salerno as to any issues with the new sampling points to which Mr. Salerno reported that there have been no issues.

Mr. Ameno reported that the in conjunction with the Water Use Permit, the South Florida Water Management District (SFWMD) had requested a 10-year water supply facilities work plan update. The plan had been submitted in January 2015 and had been accepted by SFWMD. Mr. Ameno reported that this plan was requested of every municipality.

NOTE: THIS MEETING WAS RECESSED AT 5:01 P.M. FOR THE PUBLIC HEARING ON THE DISTRICT’S PROPOSED BUDGET FOR FISCAL YEAR 2015/2016 AND WAS RECONVENED AT 5:07 P.M.

Subsequent to the adjournment of the public hearing, the Chair opened the meeting for public comment to Ms. Hart and Mr. Malin. Discussion ensued between Mr. Salerno, Ms. Hart and Mr. Malin concerning the method of meter reading by the utility staff, method of billing based on gallons used, water quality, water color, fish death and discoloration and alkalinity in the canals caused by lime dumping. Mr. Salerno and Mr. Gibney responded to all inquiries. Ms. Hart questioned the dumping of cement into the rock pit. Mr. Austin Forman (landowner) responded to Ms. Hart's query. Mr. Malin questioned the status of the canals subsequent to the changes caused by construction. Mr. Gibney responded that culverts were placed in the canals as appropriate to provide for water flow. Mr. Salerno also reported that given the low level of rain to date, the movement of water and aeration in the canals is impacted. There being no further discussion, the Chair called the joint meeting back to order and requested that Mr. Ameno continue with his report.

Mr. Ameno reported that during the past year, the 10-year Water Supply Facilities Work Plan had been updated. In addition, annual re-use reports for the prior three year period were provided to SFWMD. Mr. Ameno also reported that the Utility Capital Improvement Plan had been updated prior to the budget hearings to provide information on the FY2015-2019 time period.

Mr. Ameno reported that in the past year development reviews and inspections had been performed for IDI, Value Place and Bridge Point. Mr. Ameno reported that IDI would be on-going, Value Place was complete and Bridge Point was pending the clearance from the BCHD as discussed earlier in the meeting.

Dr. Walter Forman raised the question about the variance between the R.J. Sullivan contract total of \$4.4 million as presented by Mr. Ameno and the \$5,266,363.47 total balance for the project. Ms. Mahaney reported that the variance would be related to other soft costs, the majority of which being engineering fees, have been charged to the project.

Fern Crest Utility Enterprise Fund Report

Mr. Salerno reported on the status of utility plant operations with specific comments on the following:

- 1) The new plant is on-line and operational. He reported that he is very pleased with its performance to date. He reported that additional testing on the plant was being conducted during the week.
- 2) Mr. Salerno reported that there were some minor issues with the old plant specifically involving the nitrate levels and he would be checking the new plant separately to ensure that it was removing the nitrates appropriately.
- 3) Mr. Salerno reported that they would be initiating the maintenance items as outlined in the fiscal year budget as previously discussed at the meeting of September 3rd.

Management Company Report

Ms. Mahaney reminded the group that the District's fiscal year would be ending September 30th. Ms. Mahaney reported to the group that the audit fieldwork would be proceeding the week after Thanksgiving. Mrs. Mahaney reported that the District website appears to be working well after some further modifications to provide for a better end-user experience. Ms. Mahaney reported that the website for the utility would be worked on in the upcoming fiscal year. Ms. Mahaney reported that PNC Bank had granted an additional 90-day extension to pay off the loan. Ms. Mahaney reported that in ongoing discussions with PNC Bank, the bank had indicated an interest in increasing the loan to as much as \$2.6 million and modifying it to a line of credit. Ms. Mahaney reported that this would in essence be a new loan with bank. The Chair requested that Ms. Mahaney continue discussions with the bank and identify the costs that may be involved. The Chair entertained a motion authorizing the Chair to negotiate a restructuring of repayment of the \$1 million outstanding principal with the possibility of increasing the note up to \$2.6 million and the execution of the 90-day loan extension with PNC Bank.

Motion #3:

Dr. Walter Forman made a motion to authorize the Chair to negotiate a restructuring of repayment of the \$1 million outstanding principal with the possibility of increasing the note up to \$2.6 million and the execution of the 90-day loan extension with PNC Bank. Eric Forman seconded the motion. Dr. Walter Forman asked about the structure of the loan as to being a line of credit versus a revenue bond. The Chair reported that the loan is currently structured as a revenue bond. The Chair expressed concern over the costs associated with a new borrowing. There being no further discussion the

motion carried.

Old Business

There was no old business brought before the Board.

New Business

The Chair presented a proposed schedule of Board Meetings for Fiscal Year 2015/2016 (October 2015 - September 2016). [All meetings on Wednesday at 4:30 p.m. at 3941 SW 47th Avenue, Davie, Florida]. The Chair entertained a motion to approve the schedule of meetings as was stated on the agenda.

Motion #4:

Dr. Walter Forman made a motion to approve the schedule of meetings as proposed (*listed below*). Eric Forman seconded the motion. The motion carried.

Annual Schedule of Meetings as Approved

- October 21, 2015
- November 18, 2015
- December 16, 2015
- January 20, 2016
- February 17, 2016
- March 16, 2016
- April 20, 2015
- May 18, 2016
- June 15, 2016
- July 20, 2016
- August 17, 2016
- September 21, 2016 (Subject to required Budget Hearings)

Other Business

The Chair asked for any Landowner items requiring Board attention. Mr. Austin Forman commented that he was pleased with the reduction to the millage rate.

The Chair entertained a motion for Ratification of actions of Chair and Supervisors for the fiscal year 2013/2014.

Motion #5:

Dr. Walter Forman made a motion to Ratify the actions of the Chair and Supervisors for the fiscal year 2013/2014. Eric Forman seconded the motion. The motion carried.

The Chair entertained a motion for Ratification of actions of Chair and Supervisors for the fiscal year 2014/2015.

Motion #6:

Dr. Walter Forman made a motion to Ratify the actions of the Chair and Supervisors for the fiscal year 2014/2015. Eric Forman seconded the motion. The motion carried.

Motion to authorize the Secretary, Manager and Attorney to file all necessary reports in compliance with the Uniform Special District Accountability Act and all other applicable statutes, laws and regulations.

The Chair entertained a motion to authorize the Secretary, Manager and Attorney to file all necessary reports in compliance with the Uniform Special District Accountability Act and all other applicable statutes, laws and regulations.

Motion #7:

Dr. Walter Forman made a motion to authorize the Secretary, Manager and Attorney to file all necessary reports in compliance with the Uniform Special District Accountability Act and all other applicable statutes, laws and regulations. Eric Forman seconded the motion. The motion carried.

Public Comments and Concerns

There were no public comments or concerns.

Other

There was no other business brought before the Board. The Chair asked Ms. Hart and Mr. Malin to state their names for the record. The Chair invited Ms. Hart and Mr. Malin to contact Mr. Salerno or Mr. Gibney directly if they have any further questions regarding the District or utility operations.

The Chair announced that the next meeting of the Board of Supervisors is scheduled for 4:30 p.m. on Wednesday, October 21, 2015 at 3941 SW 47th Avenue, Davie, Florida.

There being no further business the meeting was adjourned at 5:35 p.m.