

**MINUTES OF A BOARD OF SUPERVISORS MEETING
NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT 02/23/11**

Pursuant to the foregoing Notice, the Board of Supervisors of Northern Palm Beach County Improvement District met at 8:00 a.m. on February 23, 2011 in the Administrative Building and Emergency Operations Center, 359 Hiatt Drive, Palm Beach Gardens, Florida.

1. ROLL CALL

There were present Board President Ronald M. Ash and Supervisors Adrian M. Salee, Matthew J. Boykin, and L. Marc Cohn and; Executive Director and Secretary O'Neal Bardin, Jr., District Engineer Robert W. Lawson and General Counsel Kenneth W. Edwards of Caldwell Pacetti, et al.

Supervisor Michael O'Rourke was not present at roll call but was expected to arrive shortly.

Also present were Deputy Director C. Danvers Beatty; Finance Director Katie Brunk; Executive Assistant Susan Scheff; Construction Manager Tim Helms; Budget & Assessment Roll Manager Laura Ham; Staff Biologist Sam Payson; Engineering Administrative Assistant JoAnn Osborne; Amy Eason of AECOM; Fred Roth and Martha Carter of Michael B. Schorah & Associates; Tad Rowe of Simmons & White; K.C. Sentz of Clarke; Jonathan Ricketts of J.T. Ricketts, Inc.; Nader Salour of Abacoa Development Company; Kevin Schanen of Kimley Horn & Associates; Court Corbino of Trammel Crow; Donald Barnes of Toll Brothers, Inc.; Mark Weber of Stanley Consultants; Steve Racey of Blue Water Ventures; Eric Malloy and Sean O'Reilly of Ibis Golf and Country Club POA; and Tom Oddo of PGA National.

2. ESTABLISHMENT OF A QUORUM

Mr. Ash announced that a quorum was present and that it was in order to consider any business to properly come before the Board.

3. ADDITIONS OR DELETIONS TO THE AGENDA

Mr. Bardin reported that no additions or deletions to the Agenda were necessary. He did note, however,

per Mr. Ash's instructions, the items for Units 9A, 9B, 11A and 14 were moved from the Regular Agenda to the Consent Agenda.

Mr. O'Rourke joined the meeting at this time.

4. APPROVAL OF MINUTES

A **motion** was made by Mr. Salee, seconded by Mr. Boykin and unanimously passed approving the Minutes of the January 26, 2011 Regular Meeting.

5. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

Mr. Ash called for any comments from the public for items not on the Agenda.

Mr. Tom Oddo of Unit No. 11, PGA National, approached the Board. Mr. Oddo explained ongoing issues that he has had with regard to his request for an aerator on the lake behind his home and the neighbors who were against it. He stated that an aerator was installed in September, but neighbors have continued to complain about the noise. He is requesting that the Board approve the aerator being moved to the center of the lake.

Mr. Bardin explained Northern's aerator program and recommended that Northern Staff work with Mr. Oddo and the PGA National Property Owners Association (POA) to resolve these issues.

6. CONSENT AGENDA

A **motion** was made by Mr. Salee, seconded by Mr. Boykin and unanimously passed approving the following Consent Agenda General Items:

- General
 - Consider Local Mitigation Strategy (LMS) Resolution (2011-01)
- Unit No. 9A/9B Abacoa I and II
 - Consider Resolution No. 2011-02 Accepting 12th Amendment to Plan of Improvements
 - Consider Resolution No. 2011-03 Accepting 5th Amendment to Plan of Improvements

- Unit No. 11A PGA National Sub-Unit

Consider Award of Purchase Order to Kimley Horn for Engineering Design & Permitting - South Pump Station Replacement

- Unit No. 14 Eastpointe

Consider Award of Purchase Order to Stanley Consultants for Engineering Design & Permitting - Pump Station Replacement

copies of which are contained in Northern files.

A **motion** was made by Mr. Salee, seconded by Mr. Boykin and unanimously passed approving the following Consent Agenda payments:

Approved Disbursements from February 23, 2011 Board Meeting					
			NOTE	L/O	
	BOND	EIPC	Proceeds	Funding	TOTAL
Unit No. 2C – Scripps II/Briger Tract			2,192.60		2,192.60
Unit No. 9B – Abacoa II		1,119.11			1,119.11
Unit No. 19 – Regional Center				21,827.22	21,827.22
Unit No. 21 – Old Marsh		36,837.00			36,837.00
Unit No. 43 – Mirasol		33,391.00			33,391.00
Unit No. 44 – The Bear’s Club		4,487.58			4,487.58
Unit No. 51 – Frenchman’s Harbor		2,148.93			2,148.93
General		88,364.00			88,364.00
		161,347.62	2,192.60	21,827.22	186,367.44

copies of which are contained in Northern files.

7. UNIT OF DEVELOPMENT NO. 2C–SCRIPPS II/BRIGER

Fred Roth, P.E., of Michael B. Schorah & Associates addressed the Board and presented a brief history of this project and the current permit approval status. He reviewed Phase I of the development which consists of engineering design of the Master Plan and road construction. The road construction project will consist of installing turn lanes on Donald Ross Road, making Parkside Drive the major entry to the project, as well as extension of Heights Boulevard and Grandiflora Road.

Mr. Roth explained that the Phase I design of this project is one of steps needed to put together the necessary bond financing. He stated that a year-long work schedule for the design has been developed which involves monthly meetings at Northern and the group is working toward development of the Plan of Improvements.

The Board thanked Mr. Roth for the update.

8. UNIT OF DEVELOPMENT NO. 11-PGA NATIONAL

- Mr. Bardin gave the background of the initial Ryder Cup Traffic Control Agreement and explained that the requested amendment to the Agreement was prepared by the attorney for the PGA National Property Owners Association. He stated that the purpose of the Amendment is for Palm Beach County to waive their right to take ownership of Ryder Cup Boulevard from Northern.

Mr. O'Rourke asked if the City of Palm Beach Gardens must approve and execute this amendment in order for it to go into effect and Mr. Bardin replied that they will have to do so, but the matter has not yet been presented to the City Council.

A general discussion followed with regard to road access. Mr. Edwards explained that although he has heard from the County Attorney that staff at the County has approved the amendment, he has not heard from the City Attorney and it has not gone before either of their governing bodies for approval. Therefore, he would like to place a one year deadline on the Amendment stating that the Board will rescind its approval if it is not fully executed by all listed parties within one year from its approval by Northern.

A **motion** was made by Mr. Salee, seconded by Mr. Boykin and unanimously passed approving the Amendment to the Ryder Cup Traffic Control Agreement with a one year deadline for execution by all parties as discussed.

- Mr. Beatty explained that Landowners have expressed concerns with the quality of work being performed by the current contractor for Aquatic Weed and Marsh Maintenance. As a result, the work was put

out for bid and he reviewed some of the changes to the new contract bid documents, specifically increased labor and bi-weekly lake inspections. Bids were received and the low bidder is Aquatic Vegetation Control. The new contract will not go into effect until October 1, 2011. This contractor has done work for Northern in the past and Staff has been pleased with the quality of their work.

Mr. Ash inquired if we typically use the lowest bidder and Mr. Edwards explained that we can select the lowest and best bidder. Mr. Beatty also stressed reliance upon the work plans submitted in the bid process.

A **motion** was made by Mr. Boykin, seconded by Mr. Cohn and unanimously passed approving an annual contract be awarded for Aquatic Weed and Marsh Maintenance to Aquatic Vegetation Control in the amount of \$331,372.00 subject to their presentation of required Certificate of Liability Insurance, Performance Bond and execution of the Agreement.

8. UNIT OF DEVELOPMENT NO. 16–FIRST PARK SOUTH FLORIDA

Ms. Brunk reviewed the financing history of this Unit. The current owner has been working with Staff and District Counsel to develop an Escrow Agreement to take the place of the current Letter of Credit. She explained that the Escrow Agreement allows the Seller to replace the Letter of Credit with a cash deposit in the amount of \$696,795.51 to be held in escrow at a Florida Qualified Public Depository. Northern would only use the funds as described in the First Amendment to the Purchase and Sale Agreement for carrying out the Plan of Improvements.

Ms. Brunk stated that the current Letter of Credit expires on March 18, 2011 and, according to the new Escrow Agreement, the developer must deposit funds with the Escrow Agent by March 10, 2011 or Northern may draw on the Letter of Credit.

A **motion** was made by Mr. Salee, seconded by Mr. O'Rourke and unanimously passed approving the Escrow Agreement.

9. UNIT OF DEVELOPMENT NO. 18–IBIS GOLF & COUNTRY CLUB

Mr. Bardin stated that the Aquatic Weed and Marsh Maintenance contract for this Unit is currently out for bid and the Ibis Golf & Country Club Property Owners Association (POA) has expressed an interest in bidding. He explained that typically when a POA wants to take over the provision of services from Northern, a High Level Maintenance Agreement is established. Mr. Bardin noted that POA representatives are in attendance at this meeting, and he has been told that they meet the criteria of the contract.

Mr. Cohn expressed some concern that POAs do not have the infrastructure in place that a third party contractor typically has.

Mr. Ash stressed that Staff carefully review any POA bid to ensure that the POA is able to meet all of the conditions of the bid.

Mr. Edwards made the Board aware that a POA has the capability to keep its bid considerably lower than a third party contractor and then bill its landowners additional funds through its POA dues to make up any difference in fees.

It was the consensus of the Board to allow the Ibis Golf & Country Club POA to bid on the Aquatic Weed and Marsh Maintenance contract.

10. UNIT OF DEVELOPMENT NO. 21–OLD MARSH

Mr. Beatty gave a brief status report of the bridge construction project and presented accompanying photos. He stated that he will continue to provide updated photos of the progress of this project.

11. UNIT OF DEVELOPMENT NO. 34 – HIDDEN KEY

Mr. Bardin reported that Northern received a Quit Claim Deed request from one of the landowners. He further explained that a Quit Claim Deed request in Unit 20 is also currently being considered by the Legal Committee and he is not sure how the Board wishes to proceed with the request for this Unit.

Mr. O'Rourke asked how this request differs from the Unit 20 request and Mr. Edwards stated that Northern has no fee title interest in this property whereas it does have such an interest in the Unit 20 matter.

Mr. Ash recommended that this item be considered at the next Legal Committee meeting and that guidelines be developed to process these types of requests.

It was the consensus of the Board to send this item to the Legal Committee for further consideration.

Mr. Boykin left the meeting at this time.

12. UNIT OF DEVELOPMENT NO. 49–NORTHERN PALM BEACH COUNTY BUSINESS PARK

Mr. Beatty explained that several water management improvements from this Unit were accepted by the Board at last month's meeting. This item is presented to accept fee title to the lake subject to receipt of consent by the Town of Lake Park to Northern for use of the Town's related drainage outfall facility. He reported that this parcel has been platted and developed.

A **motion** was made by Mr. Salee, seconded by Mr. O'Rourke, and unanimously passed approving the Quit Claim Deed subject to approval by the Town of Lake Park of Northern's use of the Town's related drainage outfall facility.

13. UNIT OF DEVELOPMENT NO. 51– FRENCHMAN'S HARBOR

Per the Board's request at last month's meeting, Donald Barnes of Toll Brothers, Inc. presented a status report on this project. His presentation included conceptual drawings of the community, the site plan, and model home exteriors. He also provided aerial photos of the seawalls and vegetation. Mr. Barnes reviewed the construction schedule details and provided estimated completion dates.

Mr. Salee asked if the project is located within unincorporated Palm Beach County and Mr. Barnes answered in the affirmative.

Mr. Ash thanked Mr. Barnes for his presentation.

14. GENERAL

Mr. Edwards provided the Board with background information with regard to the National Pollution Discharge Elimination System (NPDES) program and how it was initially structured. He explained that Northern is the Lead Permittee in the permit issued by the Florida Department of Environmental Protection and Federal Environmental Protection Agency. Northern collects all the co-permittees fees and distributes them pursuant to Interlocal Agreements with the participating municipalities.

Mr. Edwards stated that the document before the Board for consideration sets forth the procedures Northern will use for collection of fees. It will be attached to each of the Interlocal Agreements and Joint Participation Agreements that will come before the Board at a future meeting. He explained that if Resolution 2011-04 is adopted, the Board will be approving and agreeing to these new procedures.

A **motion** was made by Mr. Salee, seconded by Mr. Cohn, and unanimously passed adopting Resolution 2011-04 as presented.

16. MISCELLANEOUS REPORTS

A) ENGINEER

- Mr. Lawson had nothing to report.

B) ATTORNEY

- Mr. Edwards reported that the filing of proposed legislation for the upcoming Legislative Session has begun and his firm is monitoring bills which may affect special districts. He will provide updates as information becomes available.

C) EXECUTIVE DIRECTOR

- Mr. Bardin presented the Community Information and Press Box Report.

17. COMMITTEE REPORTS

- **BUDGET & BANKING COMMITTEE**

Ms. Brunk reported that a Budget & Banking Meeting was held on February 9, 2011, and the following items were discussed:

Unit of Development No. 9A/9B – Abacoa I & II
Consider: Use of Impact Fees and Connection Fees

Ms. Brunk reviewed the background of the impact fee agreement with Palm Beach County and explained that past impact fees had been used for additional road projects. As those projects have all been completed, she reported that the Committee recommended using the remaining impact fees to offset the debt assessments in Unit 9B. These fees would be spread out over an approximate four year period and any additional impact fees received would continue to be used to offset debt within Unit 9B.

She further explained that the District entered into a Water Connection Fee Agreement with the Town of Jupiter in 1996. Northern gave the Town approximately \$1.4 million provided that once a specific number of connections were reached, the Town would begin to repay the District from each connection fee received. Ms. Brunk noted that the entire amount is due on January 1, 2012 less any payments paid to Northern by then. No payments have been received to date, so Northern will likely bill the Town of Jupiter for \$1,397,882 that will be due on January 1, 2012. She confirmed that Staff has been in contact with the Town and has reminded them of the repayment deadline. The Committee recommended that the funds from the Town be used to fund the Abacoa lake liner project which had been budgeted to take place over the next few years. Approximately \$1,000,000 would be used to complete that project and the remainder used to offset debt assessment within Unit 9A.

Ms. Brunk summarized the Committee's recommendation that the Board approve the application of road impact fee money to the debt assessment in Unit of Development No. 9B to maintain or reduce the current assessment rate. She also stated that the Committee further recommended that the Board approve the use of the water connection fee repayment from the Town of Jupiter to complete the lake liner project in Unit of Development No. 9A, with any unspent funds used to offset Unit 9A debt assessments.

A **motion** was made by Mr. Salee, seconded by Mr. Cohn, and unanimously passed approving the recommendations of the Budget & Banking Committee items as presented.

Mr. Salee noted that he had an opportunity to see the results of the first phase of the Abacoa lake liner project and it was quite impressive.

General
Consider Capital Asset Policy

Ms. Brunk reported that the Committee reviewed the proposed Capital Asset Policy which establishes procedures for valuation and depreciation as well as adds a method by which to value and track intangible assets, including easements. After review and discussion, the Committee recommended Board approval of the Capital Asset Policy.

A **motion** was made by Mr. Salee, seconded by Mr. O'Rourke, and unanimously passed approving the Capital Asset Policy as presented.

General
Consider 2011 Budget Calendar

Ms. Brunk stated that Staff presented the proposed Fiscal Year 2011-2012 budget schedule to the Committee and reported that Staff has begun budget work based upon the schedule.

This item was presented for information only and no Board action was required.

18. RECEIVE AND FILE

Mr. Bardin presented the following items to be received and filed:

- Assessment Collection Status as of February 16, 2011
- Northern's Monthly Financial Reports; and
- Proof of Publication of Meeting Notice

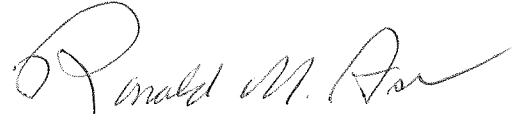
copies of which are contained in Northern's files.

19. COMMENTS FROM THE BOARD

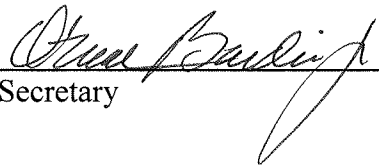
Mr. Salee briefly reported on the projects being dealt with by the Water Resources Task Force and remarked upon the technical expertise of its members.

20. ADJOURN

There being no further business to come before the Board, the meeting was adjourned.



President



Secretary