

**MINUTES OF A BOARD OF SUPERVISORS MEETING  
NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT 03/24/10**

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Pursuant to the foregoing Notice, the Board of Supervisors of Northern Palm Beach County Improvement District met at 8:00 a.m. on March 24, 2010 in the Administrative Building and Emergency Operations Center, 359 Hiatt Drive, Palm Beach Gardens, Florida.

**1. ROLL CALL**

There were present Board President Deborah A. Diaz and Supervisors Ronald M. Ash, Marilyn Lew-Jacobs, Matthew J. Boykin and Adrian M. Salee; Executive Director and Secretary O'Neal Bardin, Jr., Northern Engineer Robert W. Lawson and General Counsel Kenneth W. Edwards of Caldwell Pacetti, et al.

Also present were Deputy Director C. Danvers Beatty; Finance Director Katie Brunk; Executive Assistant Susan Scheff; Director of Operations Kenneth Roundtree; Construction Manager Tim Helms; Albert Basulto of Brown & Caldwell; Amy Eason of AECOM; Brian LaMotte of WGI; Alan Wertepny of Mock, Roos; Clark Bennett of Spectrum Municipal Services; Mark Raymond, Esquire; Glen Harvie of Ibis (Unit No. 18); and Philip Slifka, Herb Andrew and Dawn Levenstein of PGA National POA (Unit No. 11).

**2. ESTABLISHMENT OF A QUORUM**

Ms. Diaz 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, however, note there were two minor changes made to the agenda after it was placed on the website. Mr. Bardin will report on his meeting with Mary Ellen Dorsett and Mr. Edwards will give an update on the District's legislation.

**4. APPROVAL OF MINUTES**

A **motion** was made by Mr. Salee, seconded by Mr. Boykin and unanimously passed approving the Minutes of the February 10, 2010 Regular Meeting.

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

Ms. Diaz called for any comments from the public for items not on the Agenda. She noted that she received a Speaker Card for Mr. Philip Slifka and asked him to approach the podium to address the Board.

Mr. Slifka introduced himself and explained that he is a member of the PGA National Property Owners' Association (POA). He stated that the POA has issues with the waterways and believes they are not being properly maintained. He noted that the work done in and around areas for the Honda Classic looked great, but residents would like that same work to be done in the areas around their homes.

A general discussion followed with regard to what aquatic plant requirements result from Northern's permit with the South Florida Water Management District (SFWMD). Also, Mr. Bardin noted that certain areas that some residents believe to be lakes are actually marshes and preserve areas.

Mr. Beatty stated that District has made efforts to address what seems to be a long-standing issue with PGA National residents. He explained that in early December 2009, Staff reviewed the contractor's work and found that only the areas seen by the road were being addressed. At that point, the Contractor was given until the Honda Classic to improve its performance in the area.

Mr. Beatty assured that Board and the residents in attendance that Staff will go out and reevaluate the work being done and make any necessary changes.

Mr. Slifka provided handouts to the Board and Management with pictures and documentation of communications between Northern and Dawn Levenstein of the PGA POA.

The discussion continued with regard to communication between Northern and the POA as well as what documentation Northern currently has showing what plantings are required by the SFWMD permit.

Ms. Diaz asked District Staff to investigate and provide the Board with a status report at its next regular meeting on April 28, 2010.

**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 Renewal of GIS Contract

Extension Amendments for Annual Service Contracts – Phase 1 of 3

Janitorial Contract, Unit ADM	Image Janitorial Services Inc.
Annual Repair & Maint of Water Control Struct & Storm Drains (Services)	American Power Rodding Corp
Annual Repair & Maint of Water Control Struct & Storm Drains (Services)	Johnson-Davis Inc.
Diving Inspection Services	Working Divers Inc.
Diving Inspection Services	Huffman Construction Inc.
Diving Inspection Services	Aqua-Terra Inc. of Martin County
Diving Inspection Services	Underwater Engineering Services Inc.
Diving Inspection Services	Shenandoah General Construction Co.
General Contracting Services	Chaz Equipment Co. Inc.
General Contracting Services	Murray Logan Construction Inc.
General Contracting Services	Aqua-Terra Inc. of Martin County
General Contracting Services	Messier Land Development Inc.
General Contracting Services	Palmwood Corporation Inc.
General Contracting Services	Southeastern Excavating Inc.
General Contracting Services	All-Site Construction
General Contracting Services	HA Contracting Corp
General Contracting Services	Hardrives Inc.
General Contracting Services	Silvester Development

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:

<b>Approved Disbursements from March 24, 2010 Board Meeting</b>					
			<b>NOTE</b>	<b>L/O</b>	
	<b>BOND</b>	<b>EIPC</b>	<b>Proceeds</b>	<b>Funding</b>	<b>TOTAL</b>
<b>Unit No. 2C – Scripps II/Briger Tract</b>				<b>1,120.00</b>	<b>1,120.00</b>
<b>Unit No. 11 – PGA National</b>		<b>28,567.55</b>			<b>28,567.55</b>
<b>Unit No. 21 – Old Marsh</b>		<b>31,522.50</b>			<b>31,522.50</b>
		<b>60,090.05</b>		<b>1,120.00</b>	<b>61,210.05</b>

copies of which are contained in Northern files.

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

Mr. Bardin explained that District Staff and General Counsel are currently working on a Landowners Agreement with representatives of the Lester Family. He stated that there will be an internal meeting next week to discuss the Agreement. Mr. Bardin noted that a portion of the Debt Finance Committee report focuses on a possible “one time” assessment upon the Unit 2C property in order to finance the start up/organizational cost of adopting a Plan of Improvements and Engineers Report. He then reviewed the next steps in the process and noted that a meeting would be taking place following the Board Meeting with representatives from the Lester Family and the County to discuss implementation issues.

Mr. Ash asked if Mr. Tuma had addressed some of the suggestions made by the Board during his last presentation and Mr. Bardin clarified that the District does not have the authority to issue development conditions. Mr. Bardin stated that Staff will be scheduling additional meetings with Ken Tuma and the individual Board Members throughout the progress of the project to ensure the Board fully understands the steps taking place.

**8. UNIT OF DEVELOPMENT NO. 11 – PGA NATIONAL**

Mr. Beatty provided a status report on the Ryder Cup Boulevard Turn Lane project. This project took place at the intersection of PGA Boulevard and Ryder Cup Boulevard and was a result of request by the residents of PGA National for a dedicated right turn lane. He presented photos of the completed project and

noted that it was very successful. Mr. Beatty also noted that District Staff have received compliments and thanks from the residents of PGA National.

**9. UNIT OF DEVELOPMENT NO. 21 – OLD MARSH**

Mr. Beatty also provided a status report on the Old Marsh Outfall Structure project. He presented photos of the work in progress and noted that recent rains had affected the progress of the project. Mr. Beatty did note that during those heavy rains, the District's system performed flawlessly throughout the District's service area. He stated that necessary repairs were made to the areas that had been washed out by the rains. Another progress report will be provided at next month's Regular Board Meeting.

**10. GENERAL**

Mr. Bardin stated that the District received a letter from Brown & Caldwell requesting reinstatement of their Project Engineer Professional Services contract for the remaining 18 months of its term. He explained that Brown & Caldwell was selected as a Project Engineer for Northern in August of 2004, but as a result of Ron Ash's position on Northern's Board of Supervisors, the Engineering Services Agreement as a Project Engineer was suspended by the Board of Supervisors in September of 2005 at the request of Brown & Caldwell. At that time, there were approximately 18 months remaining on the term of the Agreement.

Mr. Bardin stated that Mr. Ash ended his employment with Brown & Caldwell on December 31, 2009. A draft First Amendment to the Agreement which would reinstate the Agreement for the remainder of the term was prepared for Board review.

Ms. Diaz reiterated that, if approved, Brown & Caldwell would be reinstated to Project Engineer status and could be designated as Project Engineer by a developer should the need for one arise.

Mr. Ash explained that he thought it was prudent at the time for the Agreement's suspension to take place, although it was not necessary. Ms. Lew-Jacobs asked Mr. Ash what his post-retirement status is with the company and he responded that he is a consultant who can consult for anyone.

A **motion** was made by Mr. Salee, seconded by Mr. Boykin and passed (with Ms. Lew-Jacobs dissenting) approving the First Amendment to Agreement between NPBCID and Brown & Caldwell for Project Engineer Professional Services.

## 11. MISCELLANEOUS REPORTS

### A) ENGINEER

- Mr. Lawson presented a status report on the Winding Waters project and presented photos as well as aerial diagrams. He explained the history of the project and reviewed the new Control Structures and flow pattern of the water through that area. Mr. Lawson further explained that the project will greatly enhance water quality in that area. Mr. Lawson indicated that there will be two structures that Northern will operate and maintain upon completion of the project.

### B) ATTORNEY

- Mr. Edwards presented an update on the District's legislation. He informed the Board that the legislation has now been through all the Committees and the Councils. It has been through First Reading and has not yet been set for Second Reading. Mr. Edwards then briefly reviewed the remainder of the bill passage process.

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

- Mr. Edwards then presented the First Amendment to the Joint Participation Agreement with Florida's Turnpike Authority, explaining that it is very similar to the action the Board took with FDOT recently. It amends the amount of funding to be provided for the NPDES program this year.

A **motion** was made by Mr. Ash, seconded by Mr. Salee and unanimously passed approving the First Amendment to the Joint Participation Agreement with Florida's Turnpike Authority.

### C) EXECUTIVE DIRECTOR

- Mr. Bardin presented the Community Information and Press Box Report, noting that the Florida Association of Special Districts had their legislative meeting in Tallahassee where Mr. Beatty participated in their Certified District Manager's course. He also informed the Board that District Staff took a Business Writing course presented by the Palm Beach State College.

- Mr. Bardin informed the Board that he met with Dr. Mary Ellen Dorsett of Organizational Dimensions to discuss a proposal for a future Strategic Planning workshop. He reported that Dr. Dorsett proposed two sessions – the first dealing with vision, value and mission and the second dealing with future projects.

Ms. Diaz asked what the timeframe would be and Mr. Bardin suggested two hours per session.

There was a general discussion with regard to whether others should be invited to the mission statement creation as in the past and if the purpose of the meetings are to discuss future strategic planning or if the meetings are the beginning of the strategic planning process.

The Board requested that Mr. Bardin obtain a proposal for facilitating services from Dr. Dorsett and present it at the April regular meeting. The Board discussed the possibility of setting the first meeting up for May.

- Mr. Bardin also presented the Water Conservation Month and Water Reuse Week Proclamations. He explained that Governor Crist has named April as Water Conservation Month and the week of May 16<sup>th</sup> as Water Reuse Week. Once again, South Florida Water Management District has asked Northern to adopt proclamations acknowledging same.

A **motion** was made by Ms. Lew-Jacobs, seconded by Mr. Salee and unanimously passed approving the Proclamations for Water Conservation Month and Water Reuse Week.

- Mr. Ash acknowledged an item in the Press Box noting that Mr. Salee has been named Chairman of the West Palm Beach Chapter of SCORE and congratulated him on his achievement.

## **12. COMMITTEE REPORTS**

- **BUDGET & BANKING COMMITTEE**

Ms. Brunk reviewed the items addressed at the Budget and Banking Committee Meeting held on March 17, 2010.

### **Consider Annual Financial Report for the Year Ending September 30, 2009**

Ms. Brunk explained that the Committee received the Annual Financial Report for the Year Ending September 30, 2009. She stated that Mr. Michael Futterman of MarcumRachlin LLP presented an overview of the Report and a separate report of “communication to those charged with governance”. Mr. Futterman reported that the audit reflects an unqualified opinion, as well as no adverse Management Letter comments or adjusting journal entries. This is the sixth consecutive year Northern has received no adverse Management Letter comments.

Ms. Brunk acknowledged her appreciation of the efforts and work of District Finance Staff, as well as that of the auditors.

The Committee recommends the Board approve the Annual Financial Report for the Year Ending September 30, 2009.

A **motion** was made by Mr. Salee, seconded by Mr. Ash and unanimously passed approving the Annual Financial Report for the Year Ending September 30, 2009

- **DEBT FINANCE COMMITTEE**

### **Consider Bond Refunding**

- **Unit of Development No. 16, Series 1999**
- **Unit of Development No. 44, Series 2000B (Taxable)**

Mr. Bardin explained that the Debt Finance is a new Committee that met on March 17, 2010. It is comprised of Supervisors Diaz, Lew-Jacobs and Boykin, as well as John Green with the Solid Waste Authority.

He stated that the purpose of the Committee's first meeting was to consider a proposal submitted by SunTrust Bank to the District's Financial Advisor to refund the Unit of Development No. 44, Series 2000B (taxable) bonds. Mr. Bardin reviewed some of the specifics and noted that a Refunding Resolution was included in the Board Package which the Committee unanimously recommended the Board approve. He noted that Mr. Bennett or Mr. Raymond were present to answer any questions the Board may have.

Ms. Diaz asked Mr. Bennett if he had anything to add. Mr. Bennett then addressed the Board giving them more detailed information about the transaction and his recommendation that the Board approve the Refunding Resolution.

He also noted that initially, SunTrust Bank also proposed a refunding of the Unit of Development No. 16, Series 1999 bonds. Subsequent to the proposal, SunTrust determined that it had a potential conflict of interest regarding Unit No. 16 since it is the mortgage holder for several large parcels in that Unit. As a result, it has since withdrawn its proposal for Unit No. 16. The Committee had directed him to check with additional banks about the potential refunding of Unit 16 bonds and report back to the Board in the future.

Ms. Diaz asked if the District is being as proactive as it should be accessing all available savings and Mr. Bennett stated that he believes that the District is doing all that it currently can.

Mr. Raymond then addressed the Board and added that the District has looked into refunding whenever possible. He presented the savings to be received by the District. Mr. Raymond also noted that the refinancing provides some flexibility if SunTrust fails to complete this transaction, in that Mr. Bennett is authorized to seek another bank to continue with this transaction. He reviewed the provisions of the Resolution.

A **motion** was made by Mr. Boykin, seconded by Mr. Ash and unanimously passed approving the Bond Resolution to refund the Unit of Development No. 44, Series 2000B (taxable) bonds.

Mr. Raymond noted that the bond closing is currently on target for March 31, 2010.

A **motion** was made by Mr. Boykin, seconded by Mr. Ash and unanimously passed authorizing Mr. Bennett to seek proposals from other banks with regard to the potential Unit of Development No. 16, Series 1999, bond refunding.

- **BUDGET & BANKING COMMITTEE**

- **Review of FEMA Large Project Status**

Ms. Brunk reported that the Committee reviewed a summary spreadsheet listing the status of closeout for Northern's large projects with FEMA for the Hurricanes Frances, Jeanne and Wilma. Northern Staff is working with representatives from FEMA and the Florida Division of Emergency Management to verify the grant proceeds awarded to us. A total of nine out of eighteen projects are officially closed. All large projects associated with Hurricane Wilma have been closed.

Northern Staff and Brian Joslyn of Casey, Ciklin, et al. traveled to Lake Mary on January 2, 2010 to meet with FEMA Staff to discuss insurance issues that were pending. Staff met with representatives from Federal and State divisions responsible for final approval of the projects. The meeting clarified our position regarding several insurance issues and was successful in that several projects have been forwarded to final approval stage since that meeting.

Mr. Bardin reviewed the closing out process and Ms. Brunk stated that we should be closed by the end of the year with hopefully no adverse impact.

These reports were presented for informational purposes. No action was required at this time.

## **Review of Monthly Reports**

Ms. Brunk also noted that the Committee reviewed the following monthly reports prepared by Northern Staff:

Investment Report- February 2010

February 2010 Bank Reconciliations

These reports were presented for informational purposes. No action was required at this time.

Ms. Diaz asked about information from the Investment Advisors and Ms. Brunk reported that District Staff is working with them now and a representative from PFM Asset Management should be able to make a presentation at the April Board Meeting.

- **DEBT FINANCE COMMITTEE**

- **Discuss Scripps II/Briger Temporary Funding (Unit 2C)**

Mr. Bardin explained that the Committee discussed the next steps in the initial funding and Plan of Improvements process for Unit 2C. District Staff will keep the Committee and the Board advised of what actions will be brought to them in the future.

This item was presented for informational purposes only, and no action was required at this time.

## **13. RECEIVE AND FILE**

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

- Letter from the Ibis Property Owners Association and related POA Resolution re: SFWMD Permit;
- Assessment Collection Status as of March 17, 2010;
- Volume No. 10 of the Operations Department Newsletter; and
- Proof of Publication of Meeting Notice

copies of which are contained in Northern's files.

Mr. Salee asked if the District is on track with assessment collections, and Mr. Bardin confirmed that the collections are only a few percent different than last year at this time.

**14. COMMENTS FROM THE BOARD**

There was a brief discussion with regard to the progress of the Unit No. 24 License Agreement.

**15. ADJOURN**

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

  
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President

  
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Secretary