

MINUTES OF THE BOARD OF SUPERVISORS

ISLE OF PALMS SPECIAL DISTRICT

October 9, 2019

Board President Ken Wright opened the meeting; calling it to order at approximately 1835 hours with a Roll Call of all Board members present [Agenda Item 1]. Other Board members/officers present were Secretary Brad Radloff, Member Dave Touring, and Member Josh Reichert. Vice President Paul Raudenbush was not present but participated via remote speaker phone. A quorum was established with the four Board members present at the meeting. Board Attorney Wayne Flowers of Lewis, Longman & Walker (LLW) was present and Joe Wagner, P.E. of Wood, PLC, as representative for the District's Engineer of Record to administrate upcoming dredging efforts, was also present at the meeting. No homeowner(s) from the District attended. The meeting was held in a Community Meeting Room of the Pablo Creek Regional Library at 13295 Beach Boulevard, Jacksonville, FL 32246.

Agenda-Specific Public Comments [Agenda Item 2]-

As a result of a Florida Statute, *public comments of Agenda items only* (no general items) are to be taken prior to addressing the Meeting Agenda. There were no public comments on any of the agenda items from attending homeowners (however, any who wished to comment later, during the meeting, did so as discussions proceeded on each agenda item).

OTHER AGENDA ITEMS

3. Approve the Minutes of the August 14, 2019 Board meeting.

MOTION: To approve the minutes of the August 14, 2019 Board meeting, by KWright.

The motion was seconded by DTouring and PASSED unanimously by the Board members present.

4. Treasurer's Report. PRaudenbush provided an update to the Treasurer's Report for this meeting and reported the District's bank balance at \$1,467,713.63, as of October 9, 2019. In addition, there were three bill(s)/invoice(s) needing the Board's approval for payment and included: 1) LLW, \$600.00 for monthly legal fees, 2) Magers & Associates, LLC (Magers), \$2,500.00 (progress billing) for annual auditing, and 3) FL Dept. of

Economic Opportunity (FLDEO), \$175.00, for their annual fee. DTouring had a question about the FLDEO annual payment and why our District has to pay it. WFlowers explained that the FLDEO is an oversight branch of the State of FL for all Special Districts and the annual fee covers their administrative costs. Also, since the Magers invoice was progress billed and the Board has never been billed, by Magers, this way before (in past years, a final invoice has always accompanied the completed audit), KWright and PRAudenbush suggested that payment of the Magers & Associates invoice be deferred pending an explanation from Magers regarding the change in invoicing. As a special note, there is a dual signature requirement that is in place for all checks/bill payments.

MOTION: To approve payment(s) to LLW and the FLDEO, as described above, by PRAudenbush.

The motion was seconded by BRadloff and PASSED unanimously by the Board members present.

For the monthly summary/update regarding the Budget Report, there was no discussion since amendments were made to the budget at the June meeting to reflect more accurate line items for engineering, auditing, and insurance fees. The general intent of said report is to facilitate the reporting/accuracy of the current year's budget and preparation for projecting the upcoming fiscal year's budget and will be very useful closer toward the end of the fiscal year.

5. Update on efforts to secure 12% City cost share of dredging and include the 12% cost share in the City Budget for 2020. Further discuss City Council Member meetings with IOPSD Board Members. [*HISTORY:* WFlowers and PRAudenbush have contacted the COJ to determine their position on the Ordinance that appears to allow for a 12% contribution from the COJ for the District's dredging efforts. Both received the same answer -- the COJ's position according to the OGC was that the 12%, in their opinion, does not apply to the IOPSD because the District already has an avenue for collecting funds to conduct maintenance dredging. At the September 2018 meeting, Mr. Pipes was asked if their District was able to benefit from the Ordinance to which he suggested that they could not since their waterways are not officially available to the public, which is also the explanation the OGC used for their opinion to our District. It has been Mr. Wagner's position, however, that he thinks the IOPSD should pursue this issue based upon his knowledge of those that have been able to take advantage of it (i.e., Miller's Creek but which has some public access, an apparent qualifying factor). At the December 2018 meeting, it was thought by some Board members that the issue should still be "pressed" by appealing to the District's City Councilmember - the need to find someone in the neighborhood that has contacts at the COJ to make in-roads with either Councilman Gulliford or the new in-coming councilman (since it appears Gulliford may be term-limited out). Since the December 2018 and more recent previous Board meetings, PRAudenbush indicated that he had reached out to Rory Diamond, an

upcoming new City Councilmember for our district, about possibly attending the District's meetings (Mr. Diamond attended and participated in the April Board Meeting) and about the possibility of supporting our push to obtain the 12% cost-share and trying to obtain further support from other councilmembers. At another previous Board meeting in February, PRAudenbush's suggestion was to try and make this happen prior to the City Council approving a new budget and prior to our going out for bids on the dredging, so that the 12% contribution can be included in the City's budget for FY 2019/2020. Then, at the Board's March meeting, PRAudenbush provided similar and additional information for the possible cost sharing as it related to the budget approval for FY 2019/2020 and added that the Board may need help from WFlowers to draft language to present a proposal to the COJ. Also at the March meeting, DTouring sought some clarification on whether the 12% cost share, if obtained, would need to be solicited from the City for each year after initial approval and, if the dollar amount is based on construction costs, how would the total dollar amount be determined prior to obtaining bids for construction. According to Joe Wagner and WFlowers, once approved by the City, the funds stay in the budget until the funds are exhausted or until something changes that would make the funds inaccessible. Joe Wagner also indicated that for Miller's Creek, Woods' Opinion of Cost (Engineer's Estimate) was used to determine the necessary dollar amount for purposes of designating the necessary funds to the City's budget line item. At the April meeting, with suggestions from Rory Diamond, it was decided that the District prepare (at least in draft form) a letter/proposal that will be submitted to the City indicating why the Board believes our District qualifies for the cost share. PRAudenbush indicated that he might be able to prepare an initial draft letter, with help from Joe Wagner and WFlowers, for review by the rest of the Board during the May meeting. For the May meeting, PRAudenbush presented to the rest of the Board members, an initial draft letter requesting support from the City Council to include in their Budget for FY 2019/2020 the 12% cost share (or about \$768,000.00). The Board discussed the content of the letter, including minor revisions to the grammar specifics, etc. and approved of and lauded PRAudenbush's work on it. There was also a discussion on how to present this proposal to all the other Councilmembers, including trying to meet one-on-one with each of them. At the June meeting, PRAudenbush indicated that he had sent the Board-approved letter to all the City Councilmembers. After which, discussions, amongst Board members, ensued once again about how to get the support of said Councilmembers and the timing involved with getting the 12% cost share for the IOPSD put into the City's budget for FY 2019/2020. Based upon the discussions, it was determined that the 19 Councilmembers should be approached after July 1st, when all newly-elected Councilmembers would be in place, to discuss the possibility of getting their support of the 12% cost share for IOPSD and have it included in the City's budget. Three to four Councilmembers were assigned to each Board member for contacting after July 1st (and once again, if there are homeowners in the District that have contacts/connections with any Councilmembers, the District would be happy to get some help from them for introductions, etc.). At the July meeting, PRAudenbush provided some update on where the COJ is relative to the budget process (we missed the original budget submittal but still pushing for the next step in the process) and his further discussions with certain of the Council Members and their support of our proposal. Then, at the August meeting, PRAudenbush provided an

update that was similar to the update at the July meeting except that our push into the COJ's budget process *might* have been too late and that the push may have to be made early next year to make it into the process then.]

For this October meeting, PRAudenbush suggested that there was bad news (based upon discussions with Councilman Rory Diamond) regarding getting the 12% cost share into the City's budget and that it did not make it this year but that the Board will have to re-initiate the effort early in 2020.

PRAudenbush also suggested that there is some good news he obtained from Rory Diamond via the City's "treasury office" regarding an over-payment of more than \$600,000.00 as a result of the original dredging effort completed in 2005. It has been sitting in the City's account until they figure out how to reimburse all the original contributors and the City, apparently, is not all too sure how the over-payment occurred. It has been suggested that since the monies were collected with the intent of going toward the original dredging activities in the IOP community, it should all be assigned to the current District for use in continued maintenance dredging. Other options, such as returning the money to original contributors, need to be discussed and considered. PRAudenbush indicated that he has plans to meet with the City to discuss the options and bring those options back to the Board for consideration and that we will need WFlowers' representation during these discussions. A brief discussion ensued between Board members regarding possible options and their opinions, etc. The end result of the Board discussions was that much more information was needed about where the additional funds came from and/or why they are available to help with determining possible options for the final disposition of said funds.

6. Update on IOP Website possible migration to new host provider. PRAudenbush provided an update on this and suggested that, although he has not been able to put a lot of effort toward this issue, he believes that we will likely need to obtain a new host-provider. He requested that this item be deferred until the next meeting or so.
7. Designate Board member to secure library meeting dates for next year. KWright brought up the fact that new meeting dates will need to be reserved from the library for calendar year 2020 and since former Board member Tim Pacheco (whom handled this task) resigned, at the beginning of this year, another member would need to be appointed to handle it. Since JReichert was sitting right next to KWright, he was nominated and instantly confirmed to take the appointment. Some discussion ensued amongst the Board members regarding the number months that can be reserved ahead of time and when to publish the dates.
8. New Business. KWright indicated that, between him and WFlowers, all necessary and routine information has been turned over to the auditors for their use so that has been taken care of.

General Public Comment -

There were no comments from the public at the end of the meeting (comments/questions taken during the meeting).

Adjournment -

KWright adjourned the meeting at 1854 hrs.

Future Meeting Dates -

Meetings are to be held on Wednesdays at 6:30 PM at the "Pablo Creek Regional Library," 13295 Beach Blvd. Jacksonville 32246; for the dates listed below:

November 13, 2019 December 11, 2019