

MINUTES OF THE BOARD OF SUPERVISORS

ISLE OF PALMS SPECIAL DISTRICT

August 11, 2021

[As a result of the *lifting* of COVID-19 Pandemic restrictions related to public gatherings, Board meetings have returned to the San Pablo Public Library]

Board President Ken Wright opened the meeting; calling it to order at approximately 1800 hours with a Roll Call of all Board members present at San Pablo Public Library. Other Board members/officers present were Vice President Paul Raudenbush, Secretary Brad Radloff, and Member David Touring. Member Josh Reichert arrived about three minutes after the meeting was called to order, so was not present to vote on approval of the previous month's Meeting minutes and the bills to be paid. A quorum was established with four Board members initially present at the meeting and then five after the arrival of JReichert. Board Attorney Wayne Flowers of Lewis, Longman & Walker (LLW) was also present for the meeting. Charlene Stroehlen, P.E., the Project Manager with Wood, PLC, as representative for the District's Engineer of Record to administrate the dredging efforts, was present for the meeting via call-in/speaker along with her Field Engineer Mike. Lance Young of Brance Diversified, Inc. (BDI), the dredging contractor, did not arrive at the meeting until 1810 hrs. along with about 15 members of his dredging crew. There were about four homeowners from the District (and five not from the District but that live on the east side of Silver Palm Drive) physically attending the meeting and other unidentified call-in attendees. The meeting was held in a Community Meeting Room of the Pablo Creek Regional Library at 13295 Beach Boulevard, Jacksonville, FL 32246 but could also have been attended via Skype-based audio-only teleconference. The call-in phone number was (904) 348-0303 and the Conf. ID was 972932507#]

Agenda-Specific Public Comments [Agenda Item 1]-

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 homeowners - either present (if so) or from those that may have called-in to the meeting.

OTHER AGENDA ITEMS

2. Vote on approval of the Meeting Minutes from the regular monthly Board meeting on July 14, 2021 and an Emergency Board meeting on July 18, 2021.

MOTION: To approve the minutes of both Board meetings on July 9, 2021 and July 18, 2021, by KWright.

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

3. Treasurer's Report. PRaudenbush provided an update to the Treasurer's Report for this meeting and reported the District's bank balance at \$ 477,831.19, as of July 31, 2021 (plus \$50,000.00, as the initial loan draw, in the WF account). There were two bill(s)/invoice(s) needing approval for payment: (1) \$675.00 to LLW for legal fees during the month of July and (2) \$5,700.00 to ARC Surveying for progress surveys. As a special note, there is a dual signature requirement that is in place for all checks/bill payments.

MOTION: To approve payment for the LLW and ARC invoices, as described above, by KWright.

Motion was seconded by PRaudenbush 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 2019 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.

4. Update on Wells Fargo financing of dredging project. PRaudenbush indicated that since the loan has been secured, certain administrative actions need to occur such as finalizing the opening of the account(s) at Wells Fargo and transferring funds (from the Sun Trust accounts) to such accounts which should be complete by next month's Board meeting. PRaudenbush also indicated that the way bills will be paid under the auspices of the loan will be significantly different since they will have to be put through WF first and then the funds will be transferred to the District's account.
5. Review dredging progress. Several different issues were brought up for this agenda item; however, much of the discussion time was spent hearing the complaints of homeowners that are not within the IOP Special District (being that they are on the east side of Silver Palm Drive and had opted out of being included in even the original dredging effort back in 2005). Their complaint basically revolved around the issue of "prop-wash" from the barges/tugs (while dredging the Moorings areas) and contend that said "prop-wash" from the dredging pushed more sediment up around their docks than they had before, giving them less water to navigate their boats, etc. They also suggested that they are there for the other homeowners that *are* within District (on the west side of

the Silver Palm Drive), suggesting that they too have experienced the prop-wash effect around their docks, etc. Unfortunately, because the folks on the east side of Silver Palm are not within the District there is nothing this Board can do for them and, more importantly, their alleged plight would be due to a totally unrelated and separate dredging contract made between the Moorings Condominiums and BDI (the same contractor being used by the IOPSD). In addition, the folks on the east side of Silver Palm do not have any pre-dredge surveying data that might prove their plight. As for the folks on the west side of Silver Palm (included in the District), the Board informed those folks (that attended) that should it be determined that such sediment *was* pushed up around their docks, that the pre- and post-bathometric hydrographic surveys would indicate such a condition and that the Contractor would be informed thusly. As for the progress of the District's dredging, KWright reported that they have started dredging Baseline 7. Walt had concerns about prop-wash back-filling BL7 as they backed out of the canal after dredging, he thinks they are not helping themselves this way unless they excavate it back out. He also wanted to know what "mean-low water" means and how do they/we know when they get there. It was explained to him that it is a surveyed level based upon a surveyed elevation. He had other concerns about mixing other entities' sediment with the District's and who is paying for that to which it was explained that payment is based upon pre-and post- dredging surveys, so it doesn't matter. During the discussion of this agenda item, Lance Young, with BDI, arrived with about 15 of his crew members. He said he brought them so that his people can hear where all the orders come from and so that everybody on both sides can understand what is needed to get the job done. Some issues were brought up between the BDI folks and the homeowners and the issues heard but not much was cleared up. PRAudenbush indicated that, at the end of day, everything boils down to the results of surveys and getting that done is up to BDI to figure out how to do it. Lance suggested that this is not an easy community to dredge and that there is a reason that the District only received one bid to do it and, so BDI is all we have. He also presented the qualifications of his guys as being the best at what they do and talked about scheduling issues and why it is difficult to meet the requests of the residents to be notified, even a few days before arriving to dredge. PRAudenbush also brought up dock damage and when these claims will be addressed to which Lance suggested the insurance company slow things down and there aren't enough marine contractors available to do the work.

6. Update on additional services from Wood. (*HISTORY:* During the July Board meeting there was a question (by BRadloff) as to whether the Engineer should be providing reviews of survey results to determine and/or confirm that the prescribed dredging is completed as the project moves along, with particular attention to areas around docks and edges of the template that show where "prop-wash" has occurred making said areas worse than before the dredging. The Board members discussed the necessity of such services and decided that a proposal should be requested from Wood. Ms. Stroehlen of Wood was asked if something like this might cost \$50,000.00 or \$5,000.00 and she suggested that it likely would be somewhere less than \$10,000.00. At least three of the Board members agreed with the suggestion for the Engineer's review. As such, KWright asked for a volunteer to review and, possibly, accept said proposal for any amount

\$10,000.00 or less and BRadloff volunteered). **At this August Board meeting**, BRadloff reported that he received a proposal from Wood (Ms. Stroehlen) and that said proposal appeared to align with the discussion from the previous meeting and went ahead to authorize Wood to conduct the prescribed reviews. According to BRadloff, he had just received the first of the reviews for the NIOP (excluding Baseline 7, since it had not been surveyed yet with dredging just starting there) several hours prior to this meeting and had only enough time for a cursory review, so declined to comment on the results. BRadloff was also commissioned at the Emergency meeting on July 18, 2021 to possibly engage ARC Surveying for two sets of services, if within the fee limitations preauthorized by the Board: 1) a bathymetric hydrographic survey around the large transport scows to scan the bottom before dredging occurs in the SIOB in an effort to determine whether any sediment is leaking from the scows during the operations (a before vs. after scenario) and 2) a stake-out of the new dredge-design template for certain Baselines in the NIOP. BRadloff reported that since ARC's quoted fees for said services fell within the preauthorized budget limitations, these services were engaged, as well. During discussion of this agenda item, the folks from the east side of Silver Palm Dr. brought up their dilemma again and asked about survey data and why they weren't surveyed and the Board reiterated that they aren't in the District so they didn't get surveyed and the Board can't do anything about it. Although the PRAudenbush agreed to obtain a COI from BDI and pass it on to one of the folks from the east side of Silver Palm.

7. Review expenditures for prior F/Y (ending 6/30/21) and vote on whether to amend the budget for any projections that were exceeded. KWright began the review, using a Budget Reconciliation that he had already distributed to the Board members prior to the meeting, and indicated that there were basically three budget line items that exceeded their projected budgets. These included: 1) Advertising (for Notices) at \$722.32, \$222.32 overage, 2) Discounts on property taxes at \$33,702.83, \$11,702.83 overage, and 3) Legal Services at \$24,542.38, \$14,542.38 overage. Said exceeded budgets were discussed as to reasons why the overages occurred and/or where they came from with two of the overages making more sense than seemingly the third (COJ tax discounts), even though the District has no control over the discounts. As such, a motion was necessary to amend the budget to make the necessary corrections and transfer funds from the reserve account accordingly.

MOTION: To amend the budget to ratify the specified overages, as described above, and transfer the necessary funds from the reserve account to those specified above, by KWright.

Motion was seconded by PRAudenbush and PASSED unanimously by the Board members present.

8. Consider Audit Proposal from Magers & Associates. KWright reported that the District had received a Proposal for annual Auditing services from Magers & Associates and opened up the floor for any discussion. The only point brought up was that the fees were

slightly more expensive than the previous year but because the auditing services are necessary, a motion was made to approve the proposal.

MOTION: To approve Magers & Associates' Proposal, as described above, by KWright.

Motion was seconded by PRAudenbush and PASSED unanimously by the Board members present.

9. New Business. (1) KWright reported that recently the Board's insurance company notified him that the insurance premium was going to have to increase a significant amount due to the influx of funds for dredging, etc. but when he suggested that the dredging company was insured, the increase would not be necessary. (2) Gordon Kelly, Silver Palm asked about who keeps up with claims and would that be the Board to which he was told the Board was not but that the Board should be notified, as according to the contract, and, actually it is the contractor's responsibility to notify the Board. (3) Another east side of Silver Palm question was about where BDI's COI would be posted and how would they might obtain it. They were told the Board would try and help to get it to them but that they should really try and get with Moorings to see how they can help. (4) DTouring asked about getting certain lots along channels that aren't paying for dredging but yet are still getting the benefit and that something needs to be done. It was indicated that getting additional homeowners in the District is not an easy task.

General Public Comment -

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

Adjournment -

KWright adjourned the meeting at 1910 hrs.

Future Meeting Dates -

Meetings are held on the second Wednesday of the month (6:30 PM), at the "Pablo Creek Regional Library," 13295 Beach Blvd. Jacksonville 32246. **However, because of the dredging currently going on, please check the District's website (isleofpalmsjax.com), often, for any updates to the location and time of any upcoming meeting AND for any "Special" or "Emergency" meetings needed to manage the dredging effort.**

September 8, 2021

[Future meeting dates for the 2021 calendar year will be posted on the District website and published on a month to month basis (hopefully, only for the near future)]