

**MINUTES OF THE BOARD OF SUPERVISORS
ISLE OF PALMS SPECIAL DISTRICT FOR DREDGING**

February 18, 2014

Board President Jason Sessions opened the meeting and called it to order at approximately 1831 hours. Other Board members/officers present were Vice President Ken Wright, Treasurer Matt Kwartler, Secretary Brad Radloff, Board member Tim Pacheco, and Board Attorney Wayne Flowers of Lewis, Longman & Walker (LLW). Approximately 11 homeowners of the District attended. Joe Wagner, P.E. of Taylor Engineering was also present to answer questions related to their proposal for engineering services offered to the District.

Agenda-specific Public Comment-

As a result of a new Florida Statute, public comments of agenda items only (no general items) are to be taken prior to addressing the Meeting Agenda. However, once again, the meeting agenda could not be found on the dredging website, so JSessions went ahead and read the agenda items prior to requesting comments and apologized for the fact that it was not posted. As such, a call for such public comments was made at this time. There were no comments made from the public regarding agenda items. Statements were made that the Board will try to do better in the future to ensure that the agenda is either duly posted or make it more clear as to where the agenda is posted on the website.

AGENDA ITEMS

First Order of Business - Approve the Minutes of the January 14, 2014 Board meeting

MOTION: To approve the minutes of the January 14, 2014 Board meeting, by JSessions.

The motion was seconded by KWright and passed unanimously by all Board members.

Secondary Business/Issues -

1. Update on funds received from the COJ and invoices that have been paid. Treasurer MKwartler reported that invoices from Bailey Publishing, Clary & Associates, and Lewis, Longman & Walker were paid in the amounts of \$27.00, \$1,500.00, and \$16,463.12, respectively. He also reported that the District's current bank balance was \$129,387.84, which also includes a recent receipt from the COJ of \$4,820.01 (on February 6, 2014 for receipts collected by the COJ as of January 31, 2014). Thus far, approximately \$145,000.00 has been received by

the District. At this time, MKwartler wanted to make a motion to approve four checks for payments to: 1) certain District homeowners that loaned money to the District for continuing operations prior to receiving new assessments – Doug Oosting (\$100.00), Ken Wright (\$100.00), and Dottie Allen (\$100.00) and 2) Lewis, Longman & Walker, P.A. for their most recent invoice in the amount of \$1,350.00.

MOTION: To approve payments to Doug Oosting, Ken Wright, and Dottie Allen, each in the amount of \$100.00 (totaling \$300.00), for monies loaned to the District for operations prior to receiving new assessments.

The motion was seconded by BRadloff and passed unanimously by all Board members.

MOTION: To approve payment to law firm Lewis, Longman & Walker, P.A. for fees accumulated from December 20, 2013 to January 31, 2014, in the amount of \$1,350.00.

The motion was seconded by KWright and passed unanimously by all Board members.

[The Board would, once again, like to point out that LLW's original invoice was to include fees for services as well as interest charges of 6% on the amount of legal fees that had accrued up until the District received the anticipated funds from the COJ. However, WFlowers announced at the January meeting that his firm was gracious enough to waive the interest charges and that the invoice amount only reflected fees for actual legal services. The District would like to thank WFlowers and LLW, once again, for their generosity]

JSessions asked WFlowers about where invoices should be sent and should they be sent to the Treasurer. WFlowers suggested that they should be sent directly to the Treasurer, at which time the change was made.

2. An off-agenda item brought up quickly by JSessions involved a letter from the Commission of Ethics, disclosure of Board member names, and potential fines for non-compliance. WFlowers suggested that it was for purposes of financial disclosure since the Board has just filed last year. At this time JSessions also offered proof of advertising for the meeting dates, if anybody wanted to look at it.
3. Surveying Updates. Joe Wagner, P.E. spoke up and said the surveying has been completed but that he only has preliminary results without the CAD files at this time, so nothing to present but by February 28, 2014 would have volume calculations done and ready to submit and/or post. He said for the March 18, 2014 Board Meeting, he will have drawings for each canal that indicate in a fairly obvious manner where the most prominent sedimentation features are located for

each canal to at least get an idea what we are looking at. He also suggested that once all the data has been assimilated and "QC'd" (Quality-Control Checked), that a meeting will be set up with the ACOE for somewhere around the first or second week in March to discuss obtaining an extension for the District's permit. The results of the surveying will be put on an FPT site so that a link can be put on the Dredging website and then easily accessed by any of the District homeowners wishing to review said results. A copy of the ACOE Permit will also be put on the FTP site so that a link could be put on the Dredging website for easier homeowner access.

4. Budget Discussion. JSessions asked WFlowers to go-over, once again, the procedural aspects of establishing the budget and necessary deadlines that have to be met with the COJ on the basis of a fiscal year (July 1 to June 30), etc. The COJ has 70 days to approve (or do nothing with) a submitted budget which means the budget needs to be submitted at least 70 days prior to the beginning of the new fiscal year (for purposes of this Board would be in April). As such, this timing makes it somewhat difficult to plan and budget so far in advance, especially as far as planning an increase in the assessment (which does not necessarily have to happen for this fiscal year), due to the required advanced notice/announcements/mailings of a hearing to increase the assessment. So for purposes of establishing a Board deadline to submit a budget to the COJ, April 15, 2014 would be the date. At this time, JSessions asked about the possibility of voting on an increase in the annual assessment and how that would affect the deadline and submittal of the budget. WFlowers informed the Board that a budget could be amended even after approval from the COJ. So, if the Board initially included an increase in the assessment for the new budget and then decided later not to increase it, it could be changed later with an amended budget submittal to the COJ.

The Board continued with the discussion by going over the budget numbers initially proposed for Fiscal Year 2014-2015 given revenue realized for the 2013-2014 FY. Certain line items in the budget were adjusted to reflect the new revenue and a better idea of what the District's expenses are starting to look like. Actual expenses are to be updated by MKwartler for the March 18, 2014 Board Meeting. The resultant budget will be available for review on the District's dredging website, once finalized. Also discussed was the possibility of a new assessment (in addition to the \$350.00 already assessed for the current FY) to be included in the budget for next year. A new assessment cannot exceed \$100.00 per year. It was suggested that the new assessment would be discussed at the Board meeting on March 18, 2014, properly noticed to the public at least 20 days prior to voting on it, and then voting on it at the Board meeting on April 15, 2014. One of the IOP Community Association officers present at the meeting was asked to post a notice of proposed assessment on the CA website to help let everybody know also.

5. Insurance for the Board. Having been tasked with obtaining quotes from

insurance carriers for Directors and Officers liability insurance for the Board, KWright presented the results of his efforts. He talked with several carriers but was only afforded quotes from two (for various reasons, certain carriers did not want to or could not participate) -- Florida Municipal Insurance Trust (\$5,263.00 D&O and Gen. Liability), and Fletcher-Stein (\$2,128.94 D&O only). A discussion ensued between the Board members with help from WFlowers to decide how to proceed with determining what insurance the Board needs, and either obtaining more quotes or to vote on the two in hand. Because of where the Board is, currently, making decisions, etc. every month, JSessions proposed a motion to go ahead and accept the Florida Municipal Insurance Trust Quote. However, JSessions asked that KWright also obtain an adjusted quote from Fletcher-Stein to include the cost of General Liability for possible future consideration.

MOTION: To accept the quote from FL Municipal Insurance Trust and approve payment for the premium by Treasurer MKwartler to bind coverage for the insurance immediately.

The motion was seconded by KWright and passed unanimously by all Board members.

6. Carrier-over issue from last meeting regarding the re-election of Board members and whether certain designated seats between the three areas of IOP (and really just between the North and South areas) need to be adjusted due to the North area seats only having two-year terms as opposed to both seats in the South having four-year terms. As tasked by the Board during the last meeting, WFlowers had looked into the situation to verify the seats and locations and to determine the validity of the claim. WFlowers clarified a misconception that the North area seats were only two-year terms permanently but instead were two years for the first term only to allow a staggering of terms between the various seats and then would revert to four year terms thereafter, like the rest of the seats. The issue was closed.
7. Sunshine Law Refresher by WFlowers. WFlowers provided a hand-out to Board members for reference to help with ensuring the Board members comply with the Sunshine Law which basically affects how and when elected officials can communicate regarding public issues and right of access to public records. He took the time to go over the hand-out, provide examples of “do’s” and “dont’s”, and answered any questions of the Board or attendees. As a matter of the discussion, while a real-life example was brought up, it was decided that BRadloff would attend the yet to be determined meeting with the ACOE that Joe Wagner, P.E. would be setting up for a later date to discuss extending the District’s dredging permit.

Future Meeting Dates -

Meetings are to continue to be held in the “Advance Hall” (around back) as usual at the First

Baptist Church at 324 N. 5th St., Jacksonville Beach, 32250; for the meetings listed below. All meetings are still to be held at 6:30 PM.

March 18, 2014

April 15, 2014

General Public Comment -

1. There were no public comments.

Adjournment -

A Motion was made 1937 hrs. by JSessions, to adjourn the meeting which was seconded by KWright.