

MINUTES OF THE BOARD OF SUPERVISORS

ISLE OF PALMS SPECIAL DISTRICT

May 13, 2014

Board President Jason Sessions opened the meeting and called it to order at approximately 1838 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 42 homeowners of the District attended. Joe Wagner, P.E. of Taylor Engineering attended to present an update on issues associated with the District's permit expiring on May 14, 2014.

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. At this time, JSessions informed the attendees of the purpose of the district, what were some of the topics of the meeting, and that ample time would be given to let everyone speak that wishes to speak. A call for such public comments was inadvertently not made prior to addressing the agenda.

AGENDA ITEMS

First Order of Business - Approve the Minutes of the March 18, 2014 Board meeting

MOTION: To approve the minutes of the March 18, 2014 Board meeting, by JSessions.

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

Secondary Business/Issues -

1. Treasury Report by MKwartler. Update on funds received from the COJ and outstanding bills. The District received funds from the COJ four times since the last meeting -- \$1306.23, \$2,554.39, 885.92, and \$2,087.29. He also reported that the District's current bank balance was \$130,952.73, as of March 18, 2014. There was one already approved invoice from Taylor Engineering for \$20,202.21 that was to be paid after the meeting. MKwartler requested that three new invoices/expenses be approved for payment and included: 1) from LLW for \$2,656.56 (for services through 4-30-14), 2) sign expenses from TPecheco (but he had not incurred the expense yet, so no payment for that), 3) public notice expenses with Financial News and Daily Record for \$27.00 on MKwartler's personal American Express card, and 4) two final invoices from Taylor Engineering for bathymetric surveying and resultant engineering, totaling \$8,738.79. MKwartler motioned

for the approval of said invoices/expenses, as follows:

MOTION: To approve payment to law firm Lewis, Longman & Walker, P.A. for monthly fees in the amount of \$2,656.56 (for services rendered during the month of April 2014).

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

MOTION: To approve reimbursement to MKwartler for expenses related to public notices in the Financial News and Daily Record in the amount of \$27.00.

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

MOTION: To approve payment to Taylor Engineering for two invoices in the amount of \$8,738.79 (final fees toward surveying and resultant engineering).

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

At this time, TPacheco asked about whether insurance for the Board had been purchased and/or where we were on that. MKwartler suggested that the Board was insured/covered and that a check from the District in the amount of \$4,740.00 had cleared on March 25, 2014.

KWright also wanted to provide an update on the Board's request for obtaining another bid for Directors/Officers liability, etc. from one of the insurers that didn't include that in their original bid. He found out the other insurer declined to quote on it for the same reason that the others declined because it was already out there and the brokers were moving it, so at this time, we have what we have through the Florida Municipal Fund.

2. Update on the ACOE Permit. For this agenda item, Joe Wagner with Taylor Engineering, hired by the Board to handle the engineering aspects necessary to actually get the District dredged at some point, gave an update to the activities occurring to get the dredging permit renewed. He confirmed that both the Florida Department of Environmental Protection (FDEP) Exemption Verification and Army Corps of Engineers (ACOE) Permit application have been submitted and, for right now, neither agency has any initial questions. The FDEP confirmed and approved the exemption the last time we last and it is expected that it will be approved again on the basis that none of the parameters of the dredging will change from the last time. The ACOE permit expires tomorrow (May 14th) and because the ACOE only issues 10 year permits, ours will have to be renewed, not just extended, but on the basis that none of the parameters of the dredging will change (as with the FDEP exemption), they are not expecting any problems. The main hold is expected to be the commenting agencies like, and mostly,

the National Fisheries Service that is about five months out on reviewing applications. So the District will be waiting on that to move forward with obtaining approval for a new permit.

JSessions followed up Joe Wagner with a summary of the last meeting and Taylor Engineering's PowerPoint presentation showing the results of the bathymetric surveying, volume calculations, and estimated costs, etc. and suggested that all the surveying results as prepared by Taylor Engineering can be reviewed by going to the Board's website at isleofpalmsjax.com (the user name and password for the Taylor Engineering's "FTP" site [where the materials are located] is on the front page). He encouraged everybody in the District to go there and look at everything, so that those that wish to help with deciding how to go about this process can have input. At this time, JSessions asked to make sure the meeting times and place are put on the website since he has been getting a lot of calls about the time of the meetings and where they are held. He also asked TPacheco to make some signs that can be out around the church indicating the meeting place.

3. This item was about re-opening the "discussion on finding a way to stop or mitigate the deposition of material into the central area canal by a creek near its confluence with the intracoastal" which had been brought up in the previous meeting by a resident (Mark Vitry) from that Central IOP canal. JSessions basically opened this up for discussion by any one in attendance at the meeting. Mr. Vitry started off by briefly summarizing the condition and offering a suggestion that involved over-dredging the area near the mouth of the creek. Joe Wagner suggested that even a seemingly simple fix such as that would require permits and engineering analysis to be approved by the appropriate agencies and continued by offering examples of the process and procedures necessitated by the problem. JSessions suggested that similar situations are also present at several areas around the canal system and that this is going to be on-going issue as the District moves along the dredging and that the fix may be something as simple as just hitting those areas occasionally along with whatever frequency the District ends up doing routine dredging since the cost will likely be minimal.
4. Budget/Audit Proposals/New Assessment. This item basically opened with the hearing to discuss and vote on increasing the annual assessment from \$350.00 to \$450.00. The \$100.00 increase is the maximum allowed (in any one year, up to a life-time maximum of \$1,000.00 per year) under the ordinance by which this District operates. The discussion started with the reading of letters from some homeowners that basically were against increasing the assessment, hearing the Board member's positions, and then hearing comments from attendees. The following attendees addressed the Board:
 - a) Chris Barksdale, Tideview Drive - Wants to do the whole thing at once and is for the full increase.
 - b) Elenor Hall - For up to a \$50 increase.
 - c) Tom Long - Not in favor of increasing the assessment and wants the Board to listen.
 - d) Denise Bellacoff, Tradewinds - Not thrilled about raising the assessment, already

paying too much tax.

- e) Patti Hollingsworth - Selling parent's house, doesn't care if it is raised.
- f) Don, Plumosa - Property values are important
- g) Jan Mullin, Silver Palm - Okay with increase, just wondering about whether we have a spoil site or not.
- h) Al Chinks - No problem with dredging but been taught that we should always pay what you got first.
- i) Ron Miller, Stacey - In favor of increase.
- j) Ronnie, Tideview - Supports the increase to \$450.
- k) Zach Wilson, Tradewinds - Supports the increase to \$450.
- l) Gordon Holder, Lagoon - Supports the increase to \$450.
- m) Tom Lago, Seabreeze - Supports the increase to \$450.
- n) John Mauldins, Tradewinds - Supports the increase to \$450.

There were no other comments, so at this time the attendees were asked for a show of hands for the increase and a show of hands against. 1 for no increase, and 20 for \$450.

At this time, some of the Board members expressed their opinions and discussed the issues associated with the increase and each went into various reasons for their position on either wanting to increase the assessment or not.

After the attendees had spoken, the public hearing to discuss the assessment level was closed and brought the discussion to the Board for their discussion and vote.

MOTION: To set the assessment level for FY 2014/2015 from \$350.00 per year to \$450.00 per year, by JSessions.

The motion was seconded by KWright and passed by a vote of 3 to 2 with TPacheco and BRadloff casting the "nay" votes.

On the basis of the motion to increase the assessment, the next order of business was to address a property or a separate "sliver" of a property that became assessed previously but is not on the water because it has been classified as "waste land" or unusable because of its size and shape. The Board agrees that this parcel shouldn't be assessed for this reason and needs to alleviate this parcel from having being assessed since the sliver cannot be removed from the assessment roll. The parcel is 0.01 acre and is owned by a Mr. Rigg and the Parcel/RE number is 180348-0000. In addition, this parcel was not part of the original dredging and therefore should not be part of the future on-going maintenance dredging (see Motion next page).

MOTION: To set the assessment for Parcel #18034-0000 at \$0.00 for FY 2014/2015, by MKwartler.

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

A secondary issue with this same parcel was that the assessment from last year of \$350.00 was not paid because of the nature discussed above and, now, there are late charges that brings the totally bill from the COJ (the collector of the assessment fees) to \$375.19. Mr. Rigg requested that the amount be reimbursed to him but because he has not paid it yet, it cannot be reimbursed. WFlowers suggested that the payment can be approved by the Board contingent upon the bill being paid and a receipt brought to Board so that a check could be written to make the reimbursement.

MOTION: To approve reimbursement to Mr. Rigg upon receipt of proof that the assessment bill for \$375.19 on Parcel #18034-0000 has been paid, by MKwartler.

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

The next order of business was to complete and approve the budget for submittal to the COJ for the FY 2014/2015. Two categories need to be adjusted based upon the new assessment approved at tonight's public hearing but can be deferred until the next meeting which it was agreed to it then.

As for Audit proposals, MKwartler has only one and is still waiting on receiving proposals from the other two accounting firms. MKwartler said he will bring all three proposals to the next Board meeting in June.

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.

June 24, 2014

July 22, 2014

August 19, 2014

General Public Comment -

1. There were no public comments.

Adjournment -

JSessions motioned to adjourn the meeting 1955 hrs.