

**SOUTH BROWARD DRAINAGE DISTRICT
GOVERNING BOARD MEETING MINUTES**

JANUARY 29, 2015

Present:

Scott Hodges, Chairperson
James Ryan, Vice Chairperson
Vicki Minnaugh, Treasurer
Robert E. Goggin, IV, Secretary
Alanna Mersinger, Commissioner
Thomas Good, Commissioner

Kevin M. Hart, District Director
Douglas R. Bell, Legal Counsel
Reina Muniz, Recording Secretary
General Public: See Attached List

Absent:

Mercedes Santana-Woodall, Commissioner

01. CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE

Chair Hodges called the SBDD Board Meeting to order at 8:05 A.M.; followed by the Pledge of Allegiance.

02. PUBLIC COMMENT

None.

03. APPROVAL OF MINUTES

Commissioner Minnaugh moved for approval of the minutes of the December 18th, 2014, South Broward Drainage District Board meeting. Motion was seconded by Commissioner Goggin and carried unanimously.

04. DIRECTOR'S REPORT

A. PRESENTATION OF DRAFT SBDD FINANCIAL STATEMENT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014 BY BARRY FINK, CPA

The District Director stated that a draft report of the SBDD Financial Statement for the Fiscal Year Ending September 30, 2014 has been prepared by the District's accounting firm, Margolies, Fink and Wichrowski, Certified Public Accounts (MFW). Barry Fink, CPA, a partner with MFW, presented an overview of the draft report.

Mr. Fink commented that there were no problems this year, and that the District had another clean opinion. He said the audit went very well. He expressed his appreciation for SBDD staff's assistance in the preparation of the draft report. He said that there is a comment on the Management Discussion and Analysis section, in the Section 2(k) footnote, regarding the adoption of the Financial Policies Resolution that was approved by the Board during 2014. He said that, as far as the accounting side, this was the only major change that was made; everything else was pretty much the same as the prior years. In that regard, there were no

management letter comments that he needed to make based on the audit. With respect to this year's financial figures versus last year's, there were some minor changes to the management letter; just language proposed by the auditor general on website compliance.

Commissioner Goggin commended Mr. Fink for a job well done.

Commissioner Mersinger asked Mr. Fink how the District's assets decreased. Mr. Fink explained that the reason the total assets went down is because, in this part of the financial statements, when one starts adding in the capital assets, there is depreciation, which is a non-cash expenditure.

District Director Hart expressed his appreciation to Mr. Fink for his all his good work on the financial report and for all the assistance he renders throughout the year on the District's accounting practices and bookkeeping. He also indicated that the Final Report would be presented to the Board at the February Board meeting.

B. RELEASE AND VACATION REQUEST OF SWMA DESIGNATION FOR GALAXY INVESTMENT GROUP, LLC; SUBJECT TO THE DEDICATION OF A NEW SWMA

District Director Hart said that the owner of the property located at 17901 SW 66th Street, Southwest Ranches, FL 33331 is requesting that SBDD vacate the Surface Water Management Area (SWMA) that was previously designated and recorded under OR Book 30974, Pages 753-756, Broward County Records. All properties in the SW Ranches are required to set aside 20% of their property at elevation 5.0' (or an equivalent storage area) as a SWMA.

The property owner, Galaxy Investment Group, LLC, will dedicate a new SWMA over the property to comply with the 20% SWMA requirement. District Director Hart said that SBDD staff has reviewed the request and has no objections. There are no financial impacts to this Agenda Item, other than SBDD administrative costs; all other costs will be incurred by the property owner.

The request is for SBDD to vacate and release its interest in the Surface Water Management Area on the property located at 17901 SW 66th Street, Southwest Ranches, FL 33331. This request is subject to the dedication of a new Surface Water Management Area in accordance with SBDD Criteria.

Commissioner Minnaugh moved for approval for the Release and Vacation of the SWMA Designation for Galaxy Investment Group, LLC; subject to the dedication of a new SWMA in accordance with SBDD Criteria as recommended. Motion was seconded by Commissioner Goggin and it was carried unanimously.

C. REQUEST FOR A "LETTER OF NO OBJECTION" TO THE RELEASE AND VACATION OF A 50-FOOT DRAINAGE EASEMENT WITHIN THE "PEMBROKE FALLS – PHASE 1" PLAT; SUBJECT TO THE DEDICATION OF A NEW 50-FOOT DRAINAGE EASEMENT

District Director Hart said that South Broward Drainage District (SBDD) received a request to provide a "Letter of No Objection" to the vacation of an existing 50-foot Drainage

Easement (Easement) located within the “Pembroke Falls – Phase 1” Plat in the City of Pembroke Pines. The Easement was previously dedicated by plat under Plat Book 159 Page 12, B.C.R.

He said that the Easement was originally dedicated for the installation and maintenance of the 96” RCP outfall culvert serving the Pembroke Falls community. However, in reviewing the proposed development plans for the Centra Falls residential development, it was determined that the 96” RCP outfall culvert is not centered in the Easement as originally intended. The 96” RCP is offset approximately 15 feet to the north, which leaves approximately 5 feet of easement area from the north edge of the pipe to the outside of the easement area for maintenance purposes.

The Easement transects three separate properties as follows:

- Proposed Centra Falls residential development owned by Hollywood Lakes Country Club, Inc. The developer of the property is Centra Falls, LLC.
- Commercial office building owned by Sawgrass Executive Park Corp. and Alna Rosa LTD Partnership.
- Flamingo Falls commercial shopping center owned by DDRM Flamingo Falls LLC.

As part of this request, the three property owners listed above will be dedicating a new 50-foot Drainage Easement, centered over the existing 96” RCP drainage culvert. This will provide SBDD with significantly more room on the north side of the pipe should the need ever arise in the future to uncover and work on the 96” RCP.

SBDD staff has no objection to this vacation request, subject to the following conditions:

- The dedication of a new, replacement 50-foot Drainage Easement by each affected property owner as depicted on the attached Exhibits.
- The Centra Falls developer shall pay for all associated legal costs incurred by the District.

There are no financial impacts to this Agenda Item, other than SBDD administrative costs; all other costs will be incurred by the Centra Falls developer.

The request is for approval by SBDD to issue a “Letter of No Objection” for the vacation and release of its interest in the 50-foot Drainage Easement described in the Exhibit “A”, said property being located in Section 11, Township 51 South, Range 40 East, Broward County, Florida; and also being the easement thereof recorded in Plat Book 159, Pg 12, B.C.R. The said approval and vacation shall be subject to the dedication of a new 50-foot Drainage Easement centered over the existing 96” RCP outfall culvert serving the Pembroke Falls community; and reimbursement of all legal costs.

Commissioner Minnaugh moved for approval to issue a “Letter of No Objection” to the Release and Vacation of a 50-foot Drainage Easement within the “Pembroke Falls – Phase 1” plat as requested; subject to the dedication of a new 50-foot drainage easement. Motion was seconded by Commissioner Goggin.

Vice Chair Ryan asked who will be paying for this project. District Director Hart replied that the developer for the residential development (Centra Falls) will be paying for the legal fees.

Ms. Andrea Virgin, Thomas Engineering Group, stood before the Board, on behalf of the applicant, to answer any questions from Board members. Commissioner Minnaugh asked Ms. Virgin if the area in question, is the area where the carnival used to be. Ms. Virgin replied yes. Vice Chair Ryan asked Ms. Virgin what was planned for the proposed development. Ms. Virgin replied that they are proposing to build 89 townhomes.

Chair Hodges asked District Director Hart if the Board will be approving the “Letter of No Objection” today or if they are also approving the easement dedications. District Director Hart answered that today the Board will just be approving the “Letter of No Objection”, and that he will be returning with an agreement related to the shopping center site that references this easement; and that at that time, he will be presenting an amendment. He said the amendment will be to essentially replace the description of the old easement with the new easement description. Chair Hodges asked District Director Hart if there are any other flowage easements, etc. that may need to be revised. District Director Hart said that they will be dedicating other easements on the property, but it will not affect the easement in question. They will also be entering into a Maintenance and Indemnification Agreement that will be prepared through the permitting process.

The question was called and it was carried unanimously.

D. CONTRACT AWARDS

- 1. SBDD CONVERSION OF TWO (2) STORMWATER PUMPS FROM OIL LUBRICATION TO WATER LUBRICATION AT THE S-4/S-5 PUMP STATION IN MIRAMAR PROJECT** - District Director Hart stated that SBDD advertised for bids for the SBDD Conversion of two (2) Stormwater Pumps from Oil Lubrication to Water Lubrication at the S-4/S-5 Pump Station in Miramar. SBDD received a total of three (3) bids. The bid included a base bid and an alternate bid for each pump. The bids ranged in price from of \$48,700.00 to \$52,330.00.

The lowest base bid for both pumps was submitted by MWI Corporation (MWI) in the amount of \$48,700.00. SBDD has reviewed the bid submitted by MWI Corporation and has determined that the Contractor is qualified to perform the work and that the bid meets all requirements. MWI Corporation has performed work for the District in the past and the District has been satisfied with their work.

District Director Hart recommended that the District award the contract for the SBDD Conversion of two (2) Stormwater Pumps from Oil Lubrication to Water Lubrication at the S-4/S-5 Pump Station in Miramar to MWI Corporation in the amount of \$48,700.00 as the lowest responsive, responsible bidder. In addition, he recommended the award of Bid Alternates 1 and 2 in a combined, not-to-exceed amount of \$8,500.00 to MWI Corp.

The total amount of the contract will be a not-to-exceed amount of \$57,200.00.

This project was previously bid in November, 2014, and the District received two bids with the lowest base bid in the amount of \$83,400, plus a not-to-exceed amount of \$10,050 for the alternate bids. Those bids were rejected with the goal of rebidding the work and obtaining lower bids. In rebidding the work, the new bids provided a cost savings of \$34,700 in the base bid and up to \$1,550 in the Alternate Bids.

Funding for the project will be paid from the SBDD Capital Improvement Committed account.

Commissioner Minnaugh moved for approval to award the contract for the SBDD Conversion of two (2) Stormwater Pumps from Oil Lubrication to Water Lubrication at the S-4/S-5 Pump Station in Miramar Project to MWI Corporation in the not-to-exceed amount of \$57,200.00. Motion was seconded by Commissioner Goggin.

Commissioner Mersinger asked District Director Hart, why the District would not use FPI Pumps to do the alternate bid work, since their price is less expensive than MWI. District Director Hart replied that the work is done in the same shop where the pump is disassembled and has to be completed by the same company, because they would have the pump at their facility.

The question was called and it was carried unanimously.

E. AUTHORIZATION TO RE-INVEST DISTRICT FUNDS

The following investment fund is scheduled to mature next month:

1. TD Bank CD - \$247,500 Maturity Date - 2/20/2015

On January 21, 2015, the Finance and Investment Committee met to discuss the District's options for re-investing the cash-on-hand that will be available upon the maturity of this CD. The recommendation from the Finance and Investment Committee is to re-invest these funds in a new 12-month CD at the highest available interest rate.

There are no financial impacts to this Agenda Item. A 12 month cash flow analysis by SBDD staff indicates that the District will have adequate cash-on-hand over the next 12 months.

District Director Hart requested approval to re-invest the monies that will become available from a maturing CD investment next month by purchasing a new 12-month CD at the highest available interest rate.

Commissioner Minnaugh moved for approval to re-invest the monies that will become available from a maturing CD investment next month by purchasing a new 12-month CD at the highest available interest rate. Motion was seconded by Commissioner Goggin.

Chair Hodges asked what is the highest interest rate? District Director Hart replied that it will not be very high, that the highest interest rate is approximately 0.20%. Commissioner Minnaugh said that because the District is restricted as to which banks they are allowed to use,

that they do not have many choices. The question was called and it was carried unanimously.

F. OTHER

- Update on CIP's- District Director Hart updated the Board on the Capital Improvement Projects (CIP) that are under construction, completed, or nearing completion.

They are as follows:

- Drainage Improvements in SWR at 205th Avenue and Dykes Road – District Director Hart commented that the plans have been completed and that they are in for permitting now. They have received the permit from SFWMD and are waiting on a permit from Broward County. He said that the District will be placing an advertisement for bids within the next month or two. The Town of SWR has secured a grant for the Dykes Road project and the District will be coordinating with the Town of SWR on ensuring that the District complies with the requirements of the grant. He said they are moving forward and hopes to be done by the beginning of hurricane season.
- Gear Drives at S-4/S-5 Pump Station – District Director Hart said that the gear drives are at the Contractor's facilities and the repair work is effectively finished; and the District is now waiting for them to be delivered back to SBDD, and to be re-installed. This should be done within the next 30 days.
- The Conversion of the two Stormwater Pumps at the S-4/S-5 Pump Station in Miramar – This has just been awarded this morning, and the District should be moving forward with this right away. The District is still evaluating the ordering and securing of the new gear drive at the S-1 Pump Station; and hopefully will be moving forward with ordering that equipment within the next 30 days.
- Telemetry for Interconnect for S-9/S-10 and S-4/S-5 – District Director Hart stated that this is what the District calls the "Silver Lakes Interconnect". This is a gate that runs across Pines Boulevard that allows the District to move water from the S-9/S-10 basin into the S-4/S-5 basin or in the other direction. District Director Hart said that this is a very important connection for the District. This gives the District much flexibility in managing those two basins and providing protection on either side. He said that this project will provide an automated system (a telemetry antenna/ motor) so that the District can operate that gate through the office or the District's smartphones. It is a really important project and has been on the District's CIP since 2010. He said that the District should be getting the approval from Silver Lakes this week, and he is expecting this will be completed by the beginning of June, 2015.
- By-pass Culvert and Sluice Gate at the S-1 Pump Station – District Director Hart said that by-pass gates were placed in the S-2 and S-7 pump stations in the past two years. He said that Luis Ochoa, Assistant District Director and Joe Certain, Project Manager, have coordinated in getting by-pass culvert in place on the west side of S-1 pump station; and the headwall should be poured on Friday; the gate has been ordered and should be arriving in early March, 2015. He said that placing the gate

on the headwall will be the final phase. This gate will be fully automated and tied into the telemetry system as well; and should be operational by the beginning of April, 2015.

- Two Motors at the S-7 and S-1 Pump Stations – One motor at the S-7 has already been rebuilt and they are expecting to receive that motor back at SBDD within the next two weeks; and once that motor comes back, they will re-install it and start on the motor at the S-1, and rebuild that motor. District Director Hart said that most likely another 30 days and those two motors will be complete.
 - District Director Hart commented that the District has not started any of their excavation work yet, but that so far, the District is making good progress on the CIP projects.
 - Basin 3 Improvements – District Director Hart said that the District is rebuilding the roof at the S-3 Pump Station as a concrete roof. He said that the permit has been issued by the City, and that all of the materials for the roof beams have been precast and are complete. The District is about to issue the second Notice to Proceed to begin the physical re-roofing work. He said that the roof will be rebuilt within the next 30 days.
- Legislative Meeting at the Miramar Chamber of Commerce – District Director Hart said that he attended the Legislative Committee meeting at the Miramar Chamber of Commerce to talk about the definition change on Waters of the U.S. and other drainage issues; and the role that SBDD plays. He made them aware of the seminar the District will be offering in April on the “Preventative Flooding for Commercial/Industrial Properties”. He said that he will be using them as a conduit to get the word out to some of their membership. He feels that this will be important in trying to educate Property Managers and Owners in what they need to be doing, and what they can be doing with their onsite drainage system in advance of hurricane season.

05. ATTORNEY’S REPORT:

Attorney Bell said that the Lenis Agreement has finally been signed by the Lenis’ and that he and District Director Hart will be reviewing the Agreement to ensure that the attachment is compatible with what is needed.

06. APPROVAL OF LEGAL FEES

Commissioner Minnaugh moved for approval of the legal bills. Motion was seconded by Commissioner Goggin and it was carried unanimously.

07. BOARD MEMBER’S QUESTIONS/COMMENTS

Commissioner Good commented that some things are happening in Tallahassee, with the Governor and the budget, and the fact that there are references on monies being spent for the Everglades; and when they say Everglades, it usually means projects from the “Keys all the way to Palm Beach County”. He stated that because of the Broward County Impoundment Project, he wanted to know if any money is being moved in that regard, and how it may impact this District. District Director Hart replied that he will look into it.

Commissioner Mersinger commented that she was at the Dolphin Democratic Club, and while she was there she became the speaker regarding drainage. She said it was amazing how interested they were in what she had to say. She said they were very, very interested in what the District's function is. She spoke about salt water intrusion, the drainage of the land, and water going into the Everglades. She also brought up the point on the Waters of the U.S. and how it will affect them. She said it got into a really good discussion with a lot of give and take.

Vice Chair Ryan commented that he, like Commissioner Mersinger, also became a speaker regarding drainage with the City of Pembroke Pines Democratic Club. He said that he had a good discussion with them and they understand that SBDD is not the water company. He pointed out to them that during the rainy season you hear so much on urban flooding, and he spoke of the testing of the waters and how it will be a big thing in the future.

Chair Hodges gave a summary to the Board on the annual performance evaluation of District Director Hart. He commented that he reviewed the comments and the evaluation forms from each Board member for District Director Hart's Evaluation Performance Review; and District Director Hart received high marks. He also stated that there are many things that District Director Hart does that are behind the scenes that are very important, and keeps the District head-and-shoulders above everyone else. He also reviewed the comments noted in the forms with District Director Hart.

Commissioner Minnaugh commented that this should be a line item reflected in the Agenda where the Chair reviews the Evaluation Performance Reviews so that there is a record. District Director Hart commented that in the future he will make this an agenda item.

08. MEETING DATE(S)

A. The Next **Regular Board Meeting** will be held on **Thursday, February 26th at 8:00 a.m.**

Adjournment at 8:45 A.M.

Respectfully submitted,

Robert E. Goggin IV, Secretary
South Broward Drainage District

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MEMORANDUM

DATE: February 19, 2015
TO: South Broward Drainage District Commissioners
FROM: Kevin M. Hart, P.E.
District Director
Subject: SBDD Annual Financial Statements – Final Copy

Comments:

The final report of the SBDD Financial Statements for the Fiscal Year Ending September 30, 2014 has been prepared by the District's accounting firm, Margolies, Fink and Wichrowski, Certified Public Accounts (MFW). Barry Fink, CPA, a partner with MFW will be in attendance at the February Board meeting to present the final report and to answer any questions.

A copy of the final report is attached.

KH
Attachment