

**MINUTES OF THE MEETING OF THE BUDGET COMMITTEE
FOR THE SOUTH INDIAN RIVER WATER CONTROL DISTRICT
HELD ON MAY 7, 2019**

The meeting of the Budget Committee for South Indian River Water Control District was held on May 7, 2019, at 11:00 a.m. at the District Work Center, Jupiter Farms Road, Jupiter, Florida. Present were John Jones, supervisor; Charles Haas, treasurer; William Capko, attorney; Mike Dillon, manager of operations; and Jane Woodard, secretary. Five landowners were also present. Mr. Hinkle called the meeting to order and the Pledge of Allegiance to the flag was given.

Mr. Jones called the meeting to order and called for the appointment of a chairman pro tem. Mr. William Capko was nominated and so appointed. A motion was made to approve the consent agenda. It was seconded and carried unanimously.

Mr. Haas requested a change in the agenda. He suggested adding comments from the landowners prior to the meeting as well as at the end of the meeting. Mr. Matt Gitkin, landowner, stated his primary concern was that when the budget was passed last year, assessments were to go down for this year. He questioned how the budget would affect landowners with one acre vs. landowners with 20 acres. He also wanted clarification on per parcel assessments vs. per acre assessments. Ms. Susan Kennedy, landowner, was concerned about overall assessments affecting landowners on an equitable basis. She was also concerned about accountability in the different projects within the District, specifically the culvert program.

Mr. Haas presented the preliminary budget and explained it is set up like a financial statement. He stated the one major change this year is the debt service fund. The program with the Town of Jupiter pertaining to the water distribution system in Palm Beach Country Estates has expired. Extra money built up in that fund and reduced the debt service by \$150,000. Several road improvement programs have less funds due and there are surplus funds to offset the other programs.

Mr. Haas stated there is a minor increase of 2.6% for operating expenses. The road replacement and renewal fund was discussed. There is an increase of approximately \$58,000 allocated and charged to equipment maintenance and staff. This will impact the special revenue funds on the east and west sides of the District. Egret Landing and Jupiter Park of Commerce do not get charged. Mr. Dillon keeps track of where work is done. Mr. Haas noted that years ago the District only had a water control budget. Then the state legislature mandated separation of water control and road maintenance. Swale maintenance is split 50/50. That is how the District is allocating the culvert replacement program. Ms. Susan Kennedy questioned if residents on county roads with no swale maintenance get charged an assessment. Mr. Haas

explained the charges are determined by area, not by specific roads. Swale maintenance comes under water control, whether the road is maintained or not; it is considered a drainage function.

Mr. Haas noted changes in personal services mainly due to increases in health insurance. Mr. Jones also noted an increase in salaries and wages because of new staff.

It was explained that by law, road maintenance is assessed by parcel; water control is assessed by acre. The culvert program was determined to be swale maintenance and is assessed 50/50. Mr. Matt Gitkin was concerned that landowners with 60 acres are being charged an inequitable amount. Mr. Haas stated that when the culvert program started, it was not realized how popular it would be so there was not a specific program established for assessments. Ms. Susan Kennedy stated some of the landowners are being “punished” for retaining water on their property by having to pay for a culvert that someone else is putting in on their property. She believed the modeling program is also being assessed this way. Mr. Dillon stated that the current budget allowed for 320 culverts. Ms. Kennedy noted if a program is started, the Board should know the parameters so landowners know how they will be charged. A policy should be set that establishes limits, and it should be presented to the landowners.

Mr. Haas stated special projects were included in the Jupiter Farms maintenance budget last year. They are long term and when not completed within the fiscal year, they do not carry forward. The solution was to take them out of the water control budget and set up a separate special project fund. That is now called engineering initiative. The total assessment is the same. Mr. Haas will propose to the Board that there be separate funds. Mr. Dillon noted that assessments for the Section 7 project have been the most challenging, but other projects will not be at that same level. Discussion and questions followed regarding the modeling program but many decisions have not yet been made by the Board. Mr. Jones noted that a Plan of Reclamation would spread the costs of this program over a long period of time.

Mr. Haas discussed other capital projects such as the work center and improvements in Canals 6 and 13. He also noted no increase in the east side basin. The budget is going up in water control but engineering initiatives are down. There is expected to be a net decrease in assessments of \$75/acre for Jupiter Farms in water control in the west basin, and \$71/parcel for landowners with road maintenance.

Mr. Gitkin thanked the Budget Committee for this workshop and noted the preliminary budget is looking better than last year.

Mr. Dillon stated the culvert program is being considered as ongoing maintenance. There are 9,000-10,000 culverts in the District which were placed in the 1990s. They have a life span of 25 years. There are newer

culverts now with a life span of 80 years. He will be educating the landowners on the difference and making recommendations on the type to install.

Ms. Kennedy also thanked the Committee. She hopes the Board will look at overall policy issues when approving the budget and projects in the District, and consider the overall goal and long term monetary expense of special engineering projects.

Mr. Jones noted the line item of \$100,000 for outfall clearing, stating this is the single most effective program. He questioned if the budget is enough to get the job done. Mr. Dillon stated he sees costs decreasing for Palm Beach Country Estates in the coming years because some outfalls can be managed by the District with the new equipment. The target this year is \$75,000 for Palm Beach Country Estates which has 107 outfalls.

There being no further discussion or questions, the workshop meeting was adjourned.

ADJOURNED.