

MINUTES OF THE REGULAR MEETING OF THE SOUTH INDIAN RIVER WATER CONTROL DISTRICT HELD ON JUNE 11, 2020

The regular meeting of the South Indian River Water Control District was held on June 11, 2020, at 7:00 pm via Zoom video conferencing. Present were Supervisors Steve Hinkle, Tom Powell, John Meyer, Michael Howard and John Jones. Also present were Amy Eason, engineer; Charles Haas, treasurer; William Capko, Terry Lewis, and Seth Behn, attorneys; Mike Dillon, manager of operations; Donna DeNinno, public information; and Jane Woodard, secretary. Several landowners were also present via Zoom conferencing.

Mr. Hinkle called the meeting to order.

Mr. Hinkle confirmed that all Board and staff members were present. He read a statement that the meeting will be conducted consistent with the Governor's Executive Order 20-69 and as extended by Executive Order 20-139 issued due to the outbreak of Covid-19. Mr. Hinkle then read ground rules for conducting this meeting.

Mr. Jones made a motion to amend the agenda. The warrant list will not be available until June 18 and the treasurer's report will be given after the other staff reports. Mr. Howard seconded the motion and it carried unanimously.

Mr. Meyer made a motion to approve the consent agenda. Mr. Powell seconded the motion and it carried unanimously.

Ms. DeNinno presented the public information report. Family Day had to be cancelled due to Covid-19. Most of the costs did not have to be paid, including the cost of the food. The event has not been rescheduled as of this time due to the uncertainty of the Covid virus. The July newsletter will contain information on recent projects, the budget meeting and the annual meeting. Mr. Howard asked about the progress on updating the website and the move to Microsoft emails. Ms. DeNinno stated the District office is handling the change in emails. She is still waiting for information regarding Bills in the House and Senate which will affect the information on the website.

Mr. Dillon presented the manager of operations' report. After discussions with the Palm Beach County Fire Marshall and the Commissioners' office regarding a water source for the new building, a well with a pump that could produce 750 gallons/minute for a minimum of 18 minutes was agreed upon. This is estimated to cost approximately \$60,000.

Mr. Dillon reported on improvements along Canal 1. After 20" of rain in the past three weeks, the improvements are working.

Mr. Dillon met with David Logan regarding Egret Landing and the Jupiter Park of Commerce. There is aging with the sheet pilings. Mr. Logan was asked to perform maintenance and sand blasting. He recommended that the District concrete those structures within the next year or two. Mr. Dillon also met with Mr. Logan regarding Canal C in Palm Beach Country Estates. On the south side the easement has been reduced to about 8-10 feet, making it difficult to mow and maintain. It was proposed that the north side 15 feet extend south so the District can safely perform its work. Most of this work would be done

in-house. Ms. Eason stated the Canal would need to be surveyed to establish where to move it. This is a dredge-and-fill operation so an Army Corps permit may be needed. She presented pictures of the Canal at the proposed work site. Mr. Powell asked who is the owner of the land to the north of the Canal and Mr. Dillon stated it is the County. Ms. Eason stated the County would not be involved but noted that the Army Corps may want an environmental assessment of the area.

Ms. Eason presented the engineer's report. She reported on the status of the Jupiter Farms re-engineering. The existing model has been built, but it has not been calibrated yet to see if it is working properly. Initially there are good results with the existing model compared to the original model, with more storage. She is now monitoring the stages within the Canal. Then any deficiencies can be looked at section by section and she can propose appropriate projects. Ms. Eason hopes to present more detailed information to the Board at the next meeting.

Ms. Eason discussed Canal E. As directed, she looked at possible permanent structures at the end of Canal E. Four temporary culverts had been placed. Ms. Eason priced replacements using two 24" pipes with 36" risers at an estimated cost of \$250,000, assuming that the District would not have to redo Palm Beach County calculations or conduct an environmental assessment of vegetation around the area. Ms. Eason stated it would be similar to the structure that is already discharging water upstream. It is a riser structure. Mr. Jones noted he has watched the effect of the temporary structure during heavy rains. It works and makes a difference. He believes this is very important to Palm Beach Country Estates and would like to see it included in the budget with financing that could be spread over three to five years. Mr. Meyer asked if operation of the new structure would be manual, and Ms. Eason confirmed it would be. Mr. Meyer also asked if there are plans to do anything with C8A. Mr. Dillon stated this is working fine. Mr. Meyer agreed that something is needed at Canal E. Mr. Powell also agreed and noted that any financing plans should be worked out with Mr. Haas. Mr. Hinkle was also in agreement. Ms. Eason stated she has not done a benefit analysis, so she was unable to say how much this would benefit the system. She stated it would help localized flooding from a timing aspect. After further discussion, Mr. Jones made a motion to proceed. Mr. Powell seconded the motion. Mr. Meyers asked if there are issues with permitting, and SFWMD wants calculations and analysis, could the District take the \$250,000 and apply it toward something similar to what was done in Jupiter Farms. Mr. Haas stated there is some flexibility but not enough to cover the cost of that project. Therefore the District would be looking at a multi-year approach with payback over three to five years. It would effectively be borrowing from the renewal and replacement fund at a reasonable interest rate. Mr. Powell stated that if there are permitting issues, it should come back to the Board and not automatically shift from one objective to another. The motion carried unanimously.

Mr. Capko presented the attorney's report. The Governor originally issued an Executive Order dispensing with the requirement that a quorum be physically present for Board meetings. That Order was extended to July 7th and then updated with a rollback to June 30th. The District is now faced with going back to meeting in person after June 30th. Several entities have written the Governor requesting that this Order be extended to the end of the fiscal year. Mr. Capko will keep the Board advised as to the July meeting.

Mr. Capko reported he is also watching the CARES Act funding. So far the funding has no inclusion of special districts.

Mr. Lewis reported success in passing legislation that foreshortened the amount of things that have to be on the website. It has not reached the Governor's desk yet, but Mr. Lewis has heard nothing negative about it.

Mr. Hinkle asked about the announcement that will be published for the annual election, including the time period and preparation of the ballots. Mr. Capko stated he will work with the District office to get this done.

Mr. Haas presented the treasurer's report. He asked the Board if there were any questions regarding his interim budget report, analysis of the assessment roles and the budget itself.

Mr. Haas then presented the preliminary 2020-2021 budget for the purpose of establishing where we are during the current fiscal year, the requirements for next year, and to open up discussion of future projects and level of service. He discussed and explained special revenue funds. In the special revenue area, there are two funds with significant changes. They are the East Basin Water Control and Jupiter Farms Road Maintenance. All other special revenue funds have established levels of service. A major portion of the budget is Debt Service that requires very little change in the level of assessments. Capital Projects funds include Canal C, Canal E and the Jupiter Farms Re-Engineering funds. Mr. Haas asked the Board to advise him on the direction of the Jupiter Farms Re-Engineering project. He noted the Internal Service fund does not make assessments directly to the landowners. This is the cost of maintenance. In the preliminary budget the current amount allocated for Charges for Services is \$2,237,000, and the preliminary budget amount is \$2,224,000. The overview of the budget shows relatively little change, except for the Capital Project fund. Mr. Haas showed a breakdown of assessments with the basis of assessments by community (a copy of which is attached). At the conclusion of Mr. Haas' slide presentation, he asked the Board if there were questions. Mr. Hinkle asked if all the repairs on the east side outfalls are complete. Mr. Dillon confirmed that work is slowing down on the outfalls and believes the \$25,000 allocated is sufficient. He noted that the biggest problem in PBCE is the education of the landowners as to how drainage works in that area. Mr. Hinkle also questioned if there are enough materials for operation and maintenance in-house. Mr. Haas stated that prior to March 31, the District spent very little on materials; Mr. Dillon confirmed. Mr. Hinkle then asked if there are sufficient funds if the state requires replacement of tanks next year. Mr. Haas stated he is building up the fund balance for the possibility of replacing tanks. Mr. Meyer asked if assessments will increase in PBCE if capital improvement projects are added as discussed. Mr. Haas stated if those costs are spread over a three-year period, there would still be a reduction. Mr. Jones made a motion to include the Canal E project in this budget. Mr. Powell seconded the motion and it carried unanimously. Mr. Jones stated that improvements to Canal C should also be included in the budget and Mr. Powell agreed. Mr. Jones made a motion to include permitting costs for Canal C in the budget, estimated to be \$40,000. Mr. Powell seconded the motion. Ms. Eason clarified that the \$40,000 is for a survey and the plans that go along with permitting for Canal C on the east side and the Board confirmed, passing the motion unanimously.

Mr. Dillon stated the District has recently been approved to receive \$150,000 from Tallahassee for the LRPI project. Mr. Haas suggested this item should not be included in the budget at this time. Once the grant is received, the budget can be addressed then. He noted that the initial assessments for the TRIM bill are due in the middle of August. The final assessments are due in September.

Mr. Haas asked if a budget workshop should be scheduled. Mr. Powell did not think it was necessary. Mr. Jones pointed out that a workshop would be difficult in the present situation. Mr. Howard thought a workshop was important. Mr. Meyer stated the projects in PBCE might warrant a workshop discussion. Mr. Hinkle was concerned about having to conduct a workshop via Zoom. Mr. Haas clarified that the workshop meeting would consist of the Budget Committee addressing landowner questions, not a full Board meeting. After further discussion, Mr. Hinkle stated it would be up to Mr. Jones and Mr. Haas to set up a workshop for the landowners prior to the next Board meeting. Mr. Haas thanked the Budget Committee for their work during the last few months.

Mr. Hinkle opened the floor to discussion of the policy for drainage and pumping into the swales. Ms. Eason stated she developed a proposed policy with the main points being the requirements for discharge, the differences between developer and individual landowner, establishing that temporary pumps require a hardship, and direction of the application process. She noted there were no changes or comments since her proposed policy in February. Mr. Meyer made a motion to accept the policy as proposed. Mr. Howard seconded the motion and it carried unanimously.

Mr. Hinkle asked the attorneys about the necessity to read a letter presented by a landowner concerning reassessment of maintenance fees, and Mr. Haas' response to that letter. Mr. Lewis stated it was not necessary to read the letters during this meeting, but simply include them in the minutes so they are part of the public records (see attached).

Mr. Hinkle opened discussion regarding the road maintenance policy. Mr. Haas presented a spreadsheet analyzing the road maintenance assessments. It addressed parcels which have direct access onto District-maintained roads vs. all parcels within the District based on last year's assessments. A copy of the spreadsheet is attached. He explained that on the spreadsheet, a parcel with direct access to District-maintained roads is Methodology 1, which is subject to road maintenance. Parcels are all treated the same in Methodology 2, regardless of whether they are on District road or County road, and are assessed. Mr. Howard stated that if a landowner is on a county road and does not directly access a District road, it should not be assessed for road maintenance. Mr. Jones felt that assessments should be based on benefit; if a property is bordered by a District road, it benefits from the road and should be assessed. Mr. Meyer stated if there is no driveway access to a District road, the parcel should not be assessed. The landowner who fronts a road should be assessed. Mr. Powell stated in general, the overall blanket assessment is best. If a parcel is part of the District, it may not get benefit directly but rather indirectly. Mr. Lewis noted that most Districts have a blanket assessment policy, and case law generally favors that approach. Analysts try to make assessments as uniform as possible. Mr. Capko noted that the majority of cases look at system-wide Mr. Capko noted that the majority of cases look at system-wide assessments. In SIRWCD, Palm Beach Country Estates and Jupiter Farms are totally separated and more susceptible to challenge when one looks at each property individually. Mr. Hinkle stated if the County

roads are removed from road maintenance, then the policy on culverts would have to be redone because of the 50/50 split between water maintenance and road maintenance. After further discussion, Mr. Howard stated that if the landowner is on a County road that does not directly access a District road, they should not be assessed. Mr. Jones stated that assessments should be based on benefits and if a parcel is bordered by a District road, then it benefits and should be assessed. Mr. Meyer stated that those who live on a paved road should be assessed, unless it is a main artery. Mr. Powell prefers an overall blanket assessment because the landowners are all part of a community. Mr. Hinkle stated he has received no feedback from landowners who think there should be two classes. He noted that when making a policy, the Board needs to be aware of changes that will be necessary for other policies that are affected. It is not a stand-alone policy. The Board agreed to look at other policy changes that would be needed before going forward with a change in road maintenance. It was agreed to continue discussion of the issue at a future meeting with inclusion of additional data.

There being no further business to come before the Board at this time, Mr. Powell made a motion to adjourn. The motion was seconded and carried unanimously.

ADJOURNED.

From: Beth McElroy <mailto:beth3343@outlook.com>
Sent: Wednesday, June 10, 2020 12:53 PM
To: rigsby@sirwcd.org
Subject: Questions for June 11th SIRWCD Board meeting.

Hi Holly,

I would like to submit the following to the Board for discussion for the June 11th meeting. This is in regard to Item 9(B) on the agenda.

Can you please confirm receipt of this message?

=====

In my opinion, there needs to be a high bar of evidence to support a reassessment of maintenance fees for a specific group of homeowners, since this has the potential to set precedent for future assessment decisions. In the development of the amendment referenced in Item 9(B) of the agenda for the June 11th meeting, have the following questions been researched and answered? (If some or all of these questions have been answered, I was not able to find them on the District's website).

- 1) Did the County pay SIRWCD any funds (monetary or other consideration) to take over this paved road? (If the county paid SIRWCD, what are those funds going to be used for?)
- 2) How did SIRWCD originally pay to pave that road: general fund of the SIRWCD (meaning all landowners contributed), assessment (meaning only the properties touching the road were assessed), or some other manner (meaning grants, loan from county, or some other funding source not tied to the SIRWCD property owners).
- 3) Did SIRWCD bond any of the funds that were used to pave that road, if so, is there still debt service due on that bond? Was the bond paid by funds collected from all SIRWCD landowners or just the properties touching said road?
- 4) If the County is maintaining the roadway into the future - are they paying for that maintenance through gas tax (all drivers who purchase fuel in the County) or ad valorem or MSTU-unincorporated (all Countywide property owners or County unincorporated property owners)? Either of these funding sources are paid by all residents of SIRWCD who own property, pay rent via the owner, or drive a car, whether living on this paved road or not.
- 5) Were the landowner's whose property touch the paved road assessed additionally by SIRWCD in a lump sum or at a higher future rate for the maintenance of the pavement? If there was a higher assessment, going back in time, will SIRWCD retroactively provide consideration to all prior owners who were affected by this assessment since the road was paved?
- 6) Were the landowner's whose property touch the paved road negatively impacted by the County take over of the paved road....for example, were their property lines adjusted, and therefore, total acres reduced? If so, did they already receive some consideration from the County for the transfer of ownership?
- 7) In the event that paved road is closed for some reason, whether short term or long (e.g. car accident, washout, repaving, tree down, etc.) do those homeowners, their guests, emergency vehicles trying to reach their house, school buses, and other service vehicles (post office, lawn maintenance, package delivery drivers, etc) use other SIRWCD roads, paved or unpaved?

Thank you for your consideration.

Respectfully,

Beth McElroy

SOUTH INDIAN RIVER WATER CONTROL DISTRICT MEETING JUNE 11, 2020
BREAKDOWN OF ASSESSMENTS BY COMMUNITY

Attributes		
	Road Maintenance PBCE	Road Maintenance JF
2019 Assessments	\$185,000	\$710,000
Current Methodology		
Number of parcels being assessed	1529	4571
Amount of Assessment	\$121	\$156
Alternative Methodology 1 Assess only those parcels which have direct access onto a District maintained road		
Number of parcels being assessed	1376	4182
Amount of assessment	\$135	\$135
Alternative Methodology 2 Assess all parcels within the District		
Number of parcels being assessed	1546	5134
Amount of assessment	\$120	\$139

Impacts			
Road Maintenance PBCE	Road Maintenance PBCE	Road Maintenance JF	Road Maintenance JF
Parcels with Increased Assessments	Parcels with Decreased Assessment	Parcels with Increased Assessments	Parcels with Decreased Assessment
1376	153	4182	389
\$14	\$121	\$14	\$156
17	1529	563	4571
\$120	\$1	\$139	\$17