

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF SUPERVISORS OF
LAKE WORTH DRAINAGE DISTRICT
HELD AT THE DELRAY BEACH OFFICE ON
September 17, 2014 AT 8:30 A.M.**

Board Members Present:

Harry Raucher James M. Alderman
John I. Whitworth, III Jeffrey P. Phipps, Sr.

Board Members Absent:

Joyce D. Haley

1. Call to Order

President Raucher called the meeting to order at 8:30 A.M.

2. Pledge of Allegiance

Mr. Phipps led the Pledge of Allegiance.

3. Employee of the Quarter Presentation – Gerome McCellion, Equipment Operator I

Committee Member Vickie Demerski announced Gerome McCellion as the Employee of the Quarter. Mr. McCellion was recognized for his efforts to stop and contain a hydraulic fluid spill from his tractor in an expeditious manner. The Board thanked Mr. McCellion for his hard work and dedication.

4. Agenda Revisions

Mr. Brown stated Item 14 is postponed.

5. Abstentions by Board Members from items on the Agenda

There were no abstentions from Board members.

6. General Public Comment

There was no general public comment.

CONSENT

7. Approval of Minutes, Check Register, Financial Statement and Documents for the previous month

8. Board Vote on Consent Agenda

A motion was made by Vice President Whitworth to approve the Consent Agenda, seconded by Supervisor Alderman and approved unanimously.

WORKSHOP

9. Public Hearing – Fiscal Year 2015 Preliminary Operating Budget – Karen Hoyt, Director of Finance

Ms. Hoyt presented the Fiscal Year 2015 Preliminary Operating Budget.

There were no comments or questions from the Board or public.

10. Resolution 14-06 – Approval of Final Operating Budget for the Fiscal Year ending September 30, 2015 – Karen Hoyt, Director of Finance

Ms. Hoyt presented the Final Fiscal Year 2015 Operating Budget for discussion and approval.

Ms. Hoyt reviewed the changes from the Preliminary Budget to the Final Budget which included additional funding for the replacement of four twin fuel dispensers and enlargement of the welding area in the shop building.

Staff recommended approval of Resolution 14-06 adopting the Fiscal Year 2015 Budget of \$14,501,950 as presented with a non-ad valorem assessment of \$45 per acre or portion there.

A motion was made by Vice President Whitworth to approve the recommendation, seconded by Supervisor Alderman and approved unanimously.

11. Update on FEMA Flood Hazard Mapping Process - Ken Todd, P.E., Water Resource Manager, Palm Beach County

Mr. Todd presented an update on the FEMA Flood Mapping Process and discussed changes to the National Flood Insurance Program and flood zone maps. He also explained the map adoption process. Mr. Todd stated both the County and League of Cities feel there are some areas that need to be studied further. They are planning to create a program with various entities to discuss areas that need to be studied further as well as potential costs and future actions. Mr. Todd invited the District to participate in the program and future meetings when scheduled. Mr. Todd further stated the County would prefer to complete the maps themselves and submit them to FEMA to verify they have met their standards and criteria.

Vice President Whitworth expressed the District's willingness to help with the process.

Mr. Todd stated that some communities would benefit from enhanced Light Detection and Ranging (Lidar) data to further refine maps. The County will be seeking partnership opportunities to collect additional data.

DISCUSSION

12. Approval to award bid for Phase III Sale of Transfer of Development Rights (TDRs) for LWDD canal rights-of-way located within the Ag Reserve (LWDD Project No. 12-7664P.02) - Mark A. Perry, General Counsel

Vice President Whitworth confirmed with Attorney Perry that he and Supervisor Alderman did not need to abstain from this item.

Mr. Perry provided background on the Phase III Sale of Transfer of Development Rights (TDRs) and recommended approval to award the bid to GL Homes of Florida III Corp. for 123.37 TDRs at \$80,000 per TDR.

A motion was made by Supervisor Phipps to approve the recommendation, seconded by Vice President Whitworth and approved unanimously.

Mr. Perry requested Mr. Larry Portnoy with GL Homes of Florida III Corp. to provide an update on the Phase I Sale of Transfer of Development Rights. Mr. Portnoy reported that the Phase I zoning petition is currently with Palm Beach County and they are hopeful to close by the end of the year. They are currently submitting a zoning petition for the Phase II Sale of Transfer of Development Rights.

Mr. Perry stated he has requested an updated appraisal for the Phase IV Sale of Transfer of Development Rights. He further stated there may be a possible conflict of interest with two Board members on the Phase IV sale and that they may need to abstain from this item in the future.

13. Approval to solicit a Request for Proposals for Brokerage Services for Health Insurance and Employee Benefits (LWDD Project No. 14-9584L.01) – Reagan Walker, Director of Administrative Services

Ms. Walker explained that the Board approved renewal of the 2015 healthcare plans at the last board meeting, and also requested staff review processes to ensure the District is receiving comprehensive recommendations regarding our healthcare coverages and potential cost savings.

Ms. Walker stated that staff is recommending solicitation of a formal Request for Proposals (RFP) to ensure open and fair competition.

She also mentioned the proposed solicitation timeline and evaluation/selection committee members.

Staff recommended approval to solicit a Request for Proposals (RFP) for Brokerage Services for Health Insurance and Employee Benefits. Staff also requested appointment of a Board member to serve on the Evaluation/Selection Committee.

A motion was made by Vice President Whitworth to approve the recommendation, seconded by Supervisor Alderman and approved unanimously.

Supervisor Alderman volunteered to serve as the Board representative on the committee.

14. Approval to award bid for Rock Rip-Rap Aggregate (LWDD Project No. 14-9554S.01) - Tommy Strowd, Director of Operations & Maintenance - **POSTPONED**

Mr. Strowd explained the District received two bids for this project and the low bid was in excess of the budgeted amount, prompting the decision to postpone the item until next month in order to allow staff time to evaluate other alternatives for procuring rock rip-rap.

15. Boca West Country Club and Boca West Master Association – Approval to amend existing Higher Degree of Maintenance Agreement with issuance of a Right-of-Way Encroachment Permit. Location: Northeast corner of Glades Road and Florida’s Turnpike, L-43, L-44, L-45 & E-2E Canals (LWDD Project No. 14-0055P.46) – Patrick A. Martin, Director of Engineering & Right-of-Way

Mr. Martin explained that the District entered into a High Level of Canal Maintenance Agreement with Arvida Corporation in 1976. The agreement did not reference the E-2E Canal, which should have been incorporated for right-of-way maintenance purposes. Staff recommended approval to amend the High Level of Canal Maintenance Agreement with Boca West Country Club and Boca West Master Association and to issue a Right-of-Way Encroachment Permit subject to current permit conditions, included but not limited to: maintenance of canals, proof of workers compensation insurance, no storage of materials within canal right-of-ways, proof of property insurance that lists District as additional insured with minimum of \$1 million coverage with a \$25 million umbrella, indemnify and hold the District harmless, a 30 day termination notice and legal and recording fees.

Bob Higgins, on behalf of the petitioner, indicated he is in agreement with the conditions.

A motion was made by Supervisor Alderman to approve the recommendation, seconded by Supervisor Phipps and approved unanimously.

16. West Boynton II Medical Center (PF @ West Boynton) – Approval to declare the underlying Chancery Case 407 lands and adjacent remaining ORB 1585 / 505 eligible for purchase (the North 95.04 feet and South 21 feet of the Cooper Deed adjacent to Tract 10), require an exclusive easement, and eliminate dirt access road. Location: South side of the L-24 Canal approximately 1,700 feet east of State Road 7 (LWDD Project No. 09-8765P.01) – Thomas Barry, Project Surveyor

Mr. Barry stated PF @ West Boynton, LLC is requesting to purchase the property. Per Chancery Case 407, the District owns the North 95.04 feet of Tract 10, Block 53, Palm Beach Farms Co. Plat No. 3, as recorded in Plat Book 2, Pages 45 to 53. The District also owns the two 25 foot road reservations between Block 51 and

Block 53. By Official Records Book 12139, Page 84, the District deeded the North 29 feet to Florida Department of Transportation, retaining the South 21 feet of the Cooper Deed. Staff recommended approval to: declare the underlying fee-simple Chancery Case 407 and remaining South 21 feet of the Cooper Deed eligible for purchase, selling it to the adjacent property owner at fair market value, receive back an exclusive easement over the North 101 feet of our conveyance, require elimination of the existing unimproved access all subject to receipt of an acceptable appraisal to determine fair market value, a certificate of title and per District Operating Policies.

Supervisor Alderman inquired if eliminating the access affected other property owners' access.

Mr. Barry confirmed all property owners have access to Boynton Beach Boulevard.

Alan Gainsborg, Director of Construction for West Boynton II Medical Center and authorized agent, agreed to the conditions.

A motion was made by Vice President Whitworth to approve the recommendation, seconded by Supervisor Phipps and approved unanimously.

17. Robert & Brenda Gallik Property – Approval for property owners to purchase a portion of land adjacent to their property at fair market value. Location: East side of Lake Eden (LWDD Project No. 14-9589P.01) – Nicole A. Smith, Right-of-Way Coordinator

Ms. Smith explained that Mr. and Mrs. Gallik are requesting to purchase a portion of right-of-way in order to make improvements to their home. The District quit-claimed the property to Palm Beach County (DB 914, PG 172) on July 15, 1950, with a reverter clause that if the property was not used for park purposes then they would deed the property back to the District. Staff met with Palm Beach County and they will deed the requested portion back to the District. Staff recommended approval to sell a portion of the property to Mr. and Mrs. Gallik for fair market value, based on an appraisal to determine fair market value, sketch of description of the property to be purchased, certification of title and per the District Operating Policies.

Bob and Brenda Gallik were present and confirmed their interest to purchase the property.

A motion was made by Supervisor Phipps to approve the recommendation, seconded by Vice President Whitworth and approved unanimously.

STAFF REPORTS

18. Director of Operations and Maintenance

Mr. Strowd stated he had no updates to report.

Director of Administrative Services

Ms. Walker stated the members of the Board have been provided with a list of meeting dates for 2015, and consistent with the Florida Statutes the dates have been advertised in the Palm Beach Post.

Ms. Walker stated that the annual employee meeting was held on September 2nd to review all employee benefits with staff. A safety meeting was also held in the morning for the Operation and Maintenance employees. Ms. Walker thanked Ms. Wheelihan for putting the meeting together and Ms. Hanney for producing the annual video.

Ms. Walker provided an update on facility projects. The restroom facilities are currently being upgraded and the door in the lobby was replaced with a glass door for safety reasons.

Ms. Walker stated that end-of-year performance reviews should be completed in mid-October. Any merit adjustments or awards will be effective the second pay period in October.

Ms. Walker indicated evaluation forms for the executive director have been provided to Board members. A discussion will be held at the October board meeting for the executive director evaluation.

Ms. Walker gave a brief overview of the District's new website. This new website will be published prior to the next board meeting.

Mr. Brown commented that the District's 100-year anniversary is approaching and he will be seeking the Board's input on activities to celebrate the occasion.

Vice President Whitworth inquired about the necessity of a written performance evaluation for the Executive Director.

Ms. Walker and Mr. Perry indicated the form is a tool or guideline for the Board to use for evaluation purposes and Board members could use it at their discretion.

Director of Engineering & Right-of-Way

Mr. Martin provided a brief update on the SCADA and Telemetry project. The contract with CH2MHill Consulting Engineers has been executed. Site visits for all control structures and a kick-off meeting have been conducted. Next steps include development of a project management plan and project definition report. A final kick-off meeting will be held to complete the report and move onto the schematic design.

Mr. Martin said he, Mr. Brown and Mr. Strowd attended the FEMA public meeting on September 8th. Rosemary Rayman is working with entities to develop a continuing education class for property managers. The FEMA Flood Zone maps are expected to be part of the agenda.

Mr. Martin spoke on the C-51 Reservoir Project stating the governance and finance subcommittee met and the draft contract has been released, but no entity has signed up to-date.

Mr. Martin spoke about Palm Beach County and other municipalities partnering in the future to produce Lidar maps that will assist with flood risk assessments.

Director of Finance

Ms. Hoyt stated the investment committee, consisting of Mr. Phipps, Mr. Brown and herself, met to review the District's current investments. The District must stay within the parameters of our investment policy and because we are dealing with public funds we are limited as to what we can invest in. An investment manager could be hired, but that would be mitigated by the investment fees the District would have to pay. Therefore, the committee recommended to keep current investments which consist of money market accounts and CDs with local financial institutions. The committee will monitor the market and meet again in the first quarter of 2015.

District Counsel

Mr. Perry said he expects to bring back to the Board next month a joint participation agreement between Leisureville and the District for the repair to a seawall in that community.

Mr. Perry stated he requested to postpone the mediation scheduled for the Rogers lawsuit on the L-47 Canal. Staff is hopeful to reach an amicable agreement with the property owners to save time and money.

Executive Director's Report

As a follow up to the discussion on performance reviews, Mr. Brown stated that as the Board's representative on a day-to-day basis, he is recommending a 3% lump sum payment based on Mr. Perry's existing annual contract, effective October 1, 2014.

A motion was made by Supervisor Phipps to approve the recommendation, seconded by Supervisor Alderman and approved unanimously.

Mr. Perry thanked the board, and expressed his gratitude for Fran Cappellini's support.

As a follow-up on the C-51 Reservoir Project, Mr. Brown indicated there has been progress made. The Environmental Resource Permit was issued by the Department of Environmental Protection and an application was submitted last week for a Consumptive Use Permit. It is currently designed to be a two phased project.

Mr. Brown stated that work on the rear parking lot continues. Mr. Higgins, the Design Engineer, and Mr. Martin are pursuing permits with Palm Beach County and South Florida Water Management District respectively.

17. Board Comment

18. Adjourn

There being no further business, the meeting adjourned at 10:20 A.M.

President – Harry Raucher

Recording Secretary – Joann M. Aylor