

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF SUPERVISORS OF
LAKE WORTH DRAINAGE DISTRICT
HELD AT THE DELRAY BEACH OFFICE ON
MARCH 12, 2014 AT 8:30 A.M.**

Board Members Present:

James M. Alderman C. David Goodlett
John I. Whitworth, III

Board Members Absent:

Joyce D. Haley
Harry Raucher

1. Call to Order

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

2. Pledge of Allegiance

3. Employee Recognition

Committee Member Vickie Demerski introduced Bobby Johnson as the District's Employee of the Quarter. Mr. Johnson is a Heavy Equipment Operator III and has worked for the District since June 28, 1987. He currently oversees the horticultural waste site and is a member of the District's Hazmat Team. The Board members thanked Mr. Johnson for his hard work and dedication.

4. Agenda Revisions

Mr. Brown announced that Items 12, 14 and 15 were being postponed. Items 12 & 15 would be rescheduled for next month's meeting. A continuation of the board meeting was scheduled for Thursday, March 20, 2014 at 4:00 p.m. to discuss Item 14 related to the sale of Transfer of Development Rights (TDRs).

5. Abstentions by Board Members from items on the Agenda

There were no abstentions by board members.

6. General Public Comment

Diann Hildreth, Boynton Beach resident, appeared before the Board to share concerns regarding people fishing on the canal right-of-way behind her home.

Board members and staff discussed the location of Ms. Hildreth's property and potential options to deter public access. Vice President Whitworth requested staff

visit the site to determine options for assistance. Ms. Hildreth thanked the Board and staff for their willingness to look into the matter.

CONSENT AGENDA

7. Approval of Minutes, Check Register, Financial Statement and Documents for the previous month
8. Camino Woods II – L-49 (LWDD Project No. 12-1677P.11) Jean and Carl Goetz, Jr. – Authorize issuance of quit-claim deed to clear title (per May 16, 2012 Board meeting the Board declared all lots in Camino Woods II eligible; ability for staff to unilaterally issue quit-claim deed expired 05/16/2013). Location: Lot 24, Camino Woods II, PB 38, Pg 179. (Thomas Barry, Surveyor)
9. Camino Woods II – L-49 (LWDD Project No. 12-1677P.12) Richard and Nancy Belli – Authorize issuance of quit-claim deed to clear title (per May 16, 2012 Board meeting the Board declared all lots in Camino Woods II eligible; ability for staff to unilaterally issue quit-claim deed expired 5/16/2013). Location: Lot 26, Camino Woods II, PB 38, Pg 179. (Thomas Barry, Surveyor)
10. Camino Gardens, Section 1 – L-49 (LWDD Project No. 14-7317P.05) Philip B. Harris, P.A. - Declare underlying chancery case for land eligible and issue quit-claim deed for \$180 to clear title. Location: Lot 25, Block 1-A, Camino Gardens, Section 1, PB 27, Pg 139. (Thomas Barry, Surveyor)
11. **Board Vote on Consent Agenda**

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

WORKSHOP

12. Proposal by Outlook Media, LLC to utilize District right-of-way for digital display - Harkley Thornton, Managing Member, Outlook Media, LLC – **POSTPONED**

DISCUSSION AGENDA

13. Approval of FY 2013 District Audit– Deborah Diaz, Rampell & Rampell (Karen Hoyt, Director of Finance)

Ms. Hoyt introduced Deborah Diaz from Rampell & Rampell. Ms. Diaz presented a draft of the District's 2013 Annual Financial Report and stated the final report will be presented for approval at the April Board meeting. Ms. Diaz explained that the audit had been delayed due to the difficulty of obtaining information from the provider regarding the discontinued Self-Insurance Health Plan, and working with the actuary related to the post-employment benefit plan.

Ms. Diaz briefly reviewed the draft letter provided to the Board from Rampell & Rampell pertaining to:

1. Significant Audit Findings
2. Qualitative Aspects of Accounting Practices
3. Difficulties Encountered in Performing the Audit
4. Corrected and Uncorrected Misstatements
5. Disagreements with Management
6. Management Representations
7. Management Consultations with Other Independent Accountant
8. Other Audit Findings or Issues

Ms. Diaz stated they had no disagreements with management during the course of the audit and there were no adjusting journal entries that were made or posted by the audit firm. There was one new accounting standard implemented and no change to the financial statements. Over the course of the next two years, there are two fairly significant auditing standards that will come into play relating to the District's pension liabilities. The impact on this District has yet to be determined.

Ms. Diaz spoke briefly regarding the overall financial condition of the District and the net change in the fund balance on the financial statements. Ms. Diaz discussed a letter regarding internal controls over financial reporting. There were no issues of non-compliance with laws grants or regulations with this report and the auditors did not have any recommendations for improvements to the District's financial reporting system. An additional letter is issued to the Auditor General of the State of Florida. Ms. Diaz stated they are required to communicate to the Auditor General every year and provide to them a list of items that need to be reviewed as it relates to the operations of the District. They did not identify any issues relative to any of the state laws that they are required to review with respect to their audit.

Ms. Diaz introduced Julia De Antonio from Rampell & Rampell who also worked on the District's audit.

Supervisor Goodlett congratulated staff and thanked the firm of Rampell & Rampell.

Supervisor Alderman thanked Mr. Brown for being fiscally responsible concerning the District's budget.

14. Approve Sale of Transfer of Development Rights (TDRs) Phase II – (LWDD Project No. 12-7664P.02) – Location: LWDD ownership interests in canal rights-of-way within Ag Reserve. (Mark A. Perry, Legal Counsel) - **POSTPONED**
15. Depot Square Apartments – E-4 (LWDD Project No. 07-7805P.02) Charles Putman, Charles Putman & Associates, Inc.– Approval to annex into LWDD's jurisdictional boundaries during the next LWDD recodification and enter into a service agreement. Location: Depot Avenue, south of Lake Ida Road, east of

STAFF REPORTS

16. Executive Director's Report

Mr. Brown briefed the board on the Town Hall meeting hosted by Senator Maria Sachs at the South County Civic Center on February 14, 2014 regarding the rainfall event of January 9 & 10, 2014. Mr. Brown, Patrick Martin and Tommy Strowd with the South Florida Water Management District provided a joint presentation detailing the rainfall event and flooding in the Kings Point area.

Mr. Brown shared that the Mayor of Boca Raton, Susan Whelchel, sent a letter to Governor Scott requesting assistance with debris in the Hillsboro Canal. LWDD and SFWMD coordinated and responded jointly on behalf of the Governor.

Mr. Brown stated that he and Reagan Walker attended Palm Beach County Days in Tallahassee on March 4 & 5, 2014 and met with those legislators, and their staff members who's District are located within the LWDD boundary.

Supervisor Goodlett commented on the District working with Kings Point and suggested that Kings Point look into costs to upgrade or retrofit their surface water management system to prevent future flooding. He also stated that perhaps Kings Point should consider a special assessment to fund any necessary upgrades. Mr. Martin stated that he is working with Kings Point and their engineer to offer potential solutions.

Mr. Brown commented about House Bill 1237 and Senate Bill 1632 that may potentially impact the District and indicated Mark Perry would provide additional information.

Director of Operations and Maintenance

Mike Baker shared his resignation letter with the Board stating his last day at the District would be June 30, 2014. Vice President Whitworth indicated that he would like the position to be filled prior to Mr. Baker's departure and hoped for a three-month transition period. Mr. Brown commented that the job opening has been posted and the position is currently being recruited.

Director of Administrative Services

Reagan Walker informed the Board that deployment of the new leased computers is complete, as well as the installation of the fiber optic cable on the second floor. Ms. Walker further stated that work continues to replace aging doors in the main building with glass doors to alleviate safety concerns.

Supervisor Goodlett inquired about secure access on all the doors at the District's main building and commented on the importance of proper security even if not currently budgeted. Ms. Walker, Mr. Brown and Juan Tobar confirmed that card readers will be installed to restrict access for staff only once all new doors have been installed.

Supervisor Alderman inquired about security cameras. Mr. Tobar confirmed that security cameras are currently in place and that additional cameras are planned.

Director of Engineer & Right-of-Way

Patrick Martin provided an update on the C-51 Reservoir Report being prepared by MHW under the oversight of Palm Beach and Broward County Utilities to evaluate the cost of the C-51 Project and analyze the project's proposed Phases 1, 2 and 3 independently.

Mr. Martin informed the Board that staff has met with Florida Power & Light representative Melissa Roettger and that she will serve as liaison between the two entities in the future.

Mr. Martin further stated that he met with George Becket at Florida Power & Light and they have sent the District a check for approximately \$11,000 to purchase two culverts that will be installed in the L-23W which will aid both entities. It was agreed that FPL would purchase the culvert with the District installing them.

Mr. Martin shared that FEMA revised flood maps are expected to be received by the end of April. According to FEMA's schedule, there will be an initial comment period for 30 days, then a 90-day appeal-process, followed by additional 30 days to finalize the maps. There will then be a 6-month period for adoption. Due to challenges, it is not expected that final maps will be published soon.

Director of Finance

Karen Hoyt reported that through February 28, 2014, the District has collected \$11.6 million in assessments and are on track to have record collections of 99%. Ms. Hoyt informed the Board that the audit is complete and she will present the Financial Highlights at the April 2014 Board meeting.

District Counsel

Mark Perry stated House Bill 1237 and its companion Senate Bill 1632 have been introduced and would revise the definition of state agency to include special taxing districts, thus binding them to State Code of Ethics. It also provides the Governor with authority to remove any board member and replace them with a substitute.

Mr. Perry further stated that the District received a request for information from a law firm representing the insurance carrier for Kings Point in response to the

rainfall event of January 9 & 10, 2014. The District provided the requested information and expects additional inquiries.

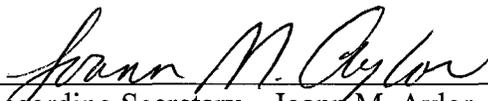
Supervisor Goodlett shared that there is also a Bill related to reporting requirements for lobbyists appearing before special district boards.

Mr. Perry indicated that the meeting would reconvene on March 20, 2014 at 4:00 PM to continue the discussion on TDRs.

Vice President Whitworth confirmed the meeting will be continued on March 20, 2014.

There being no further business, the meeting adjourned at 9:35 A.M and will be continued on March 20, 2014.

Vice President – John I. Whitworth, III



Recording Secretary – Joann M. Aylor