

SOUTH BROWARD DRAINAGE DISTRICT

Management Committee

Meeting Minutes

July 12, 2006

9:30 A.M. MANAGEMENT COMMITTEE MEETING CALLED TO ORDER.

PRESENT

President Tom Gill, Vice President Vicki Minnaugh, Secretary Jack McCluskey, Treasurer Howard Zimmerman, Supervisor John Eastman, Director Leo Schwartzberg, District Legal Counsel Douglas Bell, Recording Secretary Joann Long, SWR Administrator John Canada. General Public: Earl Rodney, Robert Busch, Aster Knight, Jim Ryan, Joel Goldfarb, Ronnie Bergeron, Alanna Mersinger.

APPROVAL/BOARD OF SUPERVISORS MEETING MINUTES

Motion by Mrs. Minnaugh for approval of the June 29th Board of Supervisors meeting minutes as submitted, second by Mr. Eastman; carried unanimously.

DISTRICT DIRECTOR'S PRESENTATIONS

TOWN OF SOUTHWEST RANCHES LEASE

Mr. Canada expressed his thanks to Messrs. Schwartzberg, McCluskey and Zimmerman for attending the Town's July 6th Council meeting at which time the Council felt discussion on the lease issue should continue. Mr. Canada provided the District a letter on July 11th regarding the Council's position on the lease which includes some new terms on behalf of the Town.

Mr. McCluskey noted that he was very upset that at the Town's July 6th meeting, its Council only discussed the lease issue but took no action. It appeared the Town did not feel any urgency to make any decision on the lease issue.

Mr. McCluskey voiced his opposition to #5 in Mr. Canada's letter. It was his belief that this leaves that provision open ended in that if a single SWR constituent complained, the Town would not have to comply with the original intent of the provision.

Mr. McCluskey's next objection was to the word "will" in line 1 of #6. He is opposed to "command" language in this document. Mr. McCluskey also objected to #8, as he does not want to be locked into any annexation of property being only to the Town of Davie, as it perhaps could be more beneficial to the District to annex into Pembroke Pines.

Mr. McCluskey posed the question to Mr. Canada whether or not all SWR Council members were aware of the contents of the July 11th letter. Mr. Canada responded

they are aware of the letter but that the wording could be changed. He wrote the letter based on what he felt the Council's wishes were. Per a question from Mr. McCluskey, Mr. Canada responded that he has the ability to place an item on the Town's Council meeting agenda for action.

Re: an ongoing dialogue, Mr. McCluskey felt this should have happened several months ago as the Town was well aware of its lease-expiration date. Also, Mr. McCluskey is bothered about an ongoing dialogue from a legal standpoint.

Mr. McCluskey questioned what would happen if Davie didn't want to be involved in any deannexation of SBDD property within the Town. Another question he raised was what happened with the provision whereby \$50,000, would be posted with the District which would be refunded upon deannexation of this property. Mr. Canada responded to the last question by saying he had felt the \$100,000, lease fee would be the only cash monies required. He had not taken that provision to the Council but felt it should pose no problem for resolution.

A question was raised on the deed restriction provision. Mr. Canada responded that this would not be necessary if some of the property were purchased by the Town. Mr. McCluskey noted that without a deed restriction, the Town would be able to do anything it wanted to with the property were the District to decide to sell. Mr. McCluskey added that he is still upset about the Town Council taking no action on the lease issue at its July 6th meeting.

Mr. Zimmerman agreed with most of Mr. McCluskey's comments. He was concerned about #8 which provides that there would be no deannexation of any property until the new lease would expire. Mr. Zimmerman felt the subject of purchase and deannexation should be discussed further.

Mr. Zimmerman explained that after listening to comments from the SWR Council members at their July 6th meeting, he felt the primary reason they object to deannexation of the District headquarters property is that they want to maintain control over the property. He noted that per the District's Charter, there is no municipality that has any control over anything that this District does. He did not bring this up at the Town's meeting, as the meeting was going smoothly with no problem other than there being nothing done towards making any decision. Mr. Zimmerman did feel that the Town and the District can get together and perhaps work out an acceptable agreement.

Mrs. Minnaugh agreed with most of what had been said. She noted that she did not realize the District was willing to sell any of its property. Mrs. Minnaugh asked what happens if the District doesn't wish to sell. Mr. Canada responded that the agreement provisions could be easily modified. Mrs. Minnaugh questioned what would happen with the deannexation issue if no property changes hands. She felt an agreement would not be

workable at all if the District did not care to sell. She also felt no acceptable agreement could be reached between the two parties even if the District were to sell a portion of the property as the terms of the sale would never be agreed upon both parties. Mr. Canada felt this would be something that would have to be discussed by the SWR Council as he can only bring the message to this Board, and this would be an opportunity to open up discussion on specific points.

Mr. Zimmerman was also curious how the Council might react if no portions of the District's headquarters property were sold to the Town. Mr. Canada responded that the Council is not comfortable with any deannexation if it does not purchase a portion of the referenced property. Mrs. Minnaugh felt that the Council should be more comfortable with a Deed restriction which would limit the use of the property for governmental facilities only.

Mr. Gill is opposed to almost everything that has been said, as the Town's lease is up, the Town had opportunities to do something for a number of months but elected to do basically nothing until after the lease expiration. He explained that when one has a tenant which results in problems, the usual procedure is not to renew their lease. Mr. Gill noted that a decision had already been made at a previous meeting to move forward with eviction if the Town did not accept the District's provisions for a new lease which the Town did not. Mr. Gill was adamant in his position that this Board should stick with its original decision. He added that this issue was discussed for several years during which time the Town did nothing.

Mrs. Minnaugh agreed with Mr. Gill's position whereby the Town's lease has expired. She noted the many hours and great amount of dollars that have been expended during the Town's tenure on SBDD premises; and during that entire period, the relationship has continued to go downward. She questioned how much more time this Board is going to give the Town to make a decision.

Mr. Bell explained that there are deed restrictions already on this property, some of which would require going back to the County for approval to sell any to the Town were a workable agreement to be reached.

Several Supervisors voiced their belief that there is probably no way an acceptable agreement will ever be reached between the Town and the District. Mr. Eastman felt we are talking about two governmental agencies and a lot of taxpayers money. He felt that both sides are guilty for the relationship that exists between the two entities. With a new Board coming aboard in January, Mr. Eastman felt the Board will be starting anew. He felt there must be some consideration for the taxpayers who will be footing the bill if the Town is not allowed to renew its lease to remain on SBDD premises until it can move to its own Town Hall on Town property. Mr. Eastman felt that per-

haps the District and the Town can negotiate a temporary lease as this Board should be looking at what is best for the taxpayers, plus the District could use the additional income. Mr. Eastman added that perhaps the Town doesn't really want to purchase any SBDD property, and he felt the District should not sell any as the "excess" property has already proven its usefulness in storm/emergency (and non-emergency) situations which can and will reoccur. Mr. Eastman felt the new Board should be the one to make the decision on what to do with the Town regarding the lease issue. He strongly encouraged this Board to continue to work out an acceptable lease agreement with the Town. Mr. Gill reiterated that the Town was offered a lease and did not agree to accept it.

Mr. McCluskey noted that the lease is expired, and some action must be taken. He added that any opinion expressed by him is based solely on the lease itself and not on the relationship that exists between SWR and the Town. Mr. McCluskey would not be opposed to a 30-day time period (commencing upon the lease expiration date of June 28th) to allow the Town to make a decision.

Mrs. Minnaugh agreed and felt the original renewal lease should be resubmitted to the Town for its decision which would be final. She did not see any "coming together" even with a new agreement. Mrs. Minnaugh also sees no reason why the District should sell any of its headquarters property or why they should have entered into any negotiations. Nothing this District has ever done has been acceptable to the Town.

Accordingly, Mrs. Minnaugh moved the District make a final resubmission to the Town of the original lease-renewal document that was originally submitted to the Town on June 19th (which would include some very minor changes) and give the Town until July 21st to provide its final decision to the District. Motion seconded by Mr. McCluskey, with an amendment to be included that the District would be amenable to additional dialogue in the interim period. Mrs. Minnaugh was not in agreement with Mr. McCluskey's amendment as she felt there has been more than sufficient time for any dialogue between the Town and the District, and the Town elected to have none. Mr. Schwartzberg explained that the property-sale issue doesn't have to be linked with a new lease, as that can be discussed at any time the Board would wish to do so. Mr. McCluskey withdrew the amendment to his second to Mrs. Minnaugh's motion.

Mr. Eastman asked that Mr. Canada do whatever is necessary to obtain the approval of the Town Council on whatever document is submitted to them by the District. When the new District Board is here, the situation can be readdressed and "fixed".

A vote on the motion showed it carried by majority vote with Mr. Eastman voting nay.

Mr. Bell asked what the Board's position would be in the event the Town doesn't accept the lease. Mrs. Minnaugh moved that in the event that happens, Mr. Bell is to commence eviction proceedings immediately after July 21st; second by Mr. McCluskey and carried

by majority vote with Mr. Eastman voting nay.

STREET-DRAINAGE-PIPE CLEANING/RIVIERA ISLES

As discussed previously, the District had secured funding in the amount of 75% to clean all street drains in the five Hurricane-Wilma problem areas. Four have funded their 25% cost share. One, Riviera Isles, turned the paperwork over to its attorney. As a result, the District's attorney had to become involved which resulted in fees incurred.

Now that the District is getting close to resolving the issue, additional legal fees will be incurred before Riviera Isles will execute the necessary agreement and provide its 25% cost share. Mr. Schwartzberg questioned the District's position on the legal fees already incurred/still to be incurred on this issue. Mrs. Minnaugh moved that all legal fees must be paid before any cleaning work commences, second by Mr. McCluskey; carried unanimously.

It was noted that the District is not causing any delay in the Riviera Isles street-drain-pipe cleaning. Any delay is due to the HOA. The District undertook this project as a favor to the applicable communities in order to obtain the 75% outside funding for the project.

ADKINS & ASSOCIATES

Mr. Schwartzberg requested approval to proceed with the execution of a contract with Adkins & Associates, a communications firm that would make the District's constituents aware of the District and its responsibilities. While there had been no real need for this type of service before, that changed with Hurricane Wilma and the effect it had on five large communities within SBDD boundaries. The District would be piggy-backing off Miramar's contract, and the 1998 prices included therein would be honored in the District's contract.

Mr. McCluskey moved for approval to enter into a contract as discussed previously with the firm of Adkins & Associates, second by Mrs. Minnaugh; carried unanimously.

HURRICANE WILMA/EROSION/FUNDING

It is anticipated that the interim erosion restoration work will commence in August. Mr. Mr. Schwartzberg noted that while he has not received a definite response from FEMA re: any funding, he does have a good feeling about it based on conversations to date.

2006-2006 GENERAL-FUND BUDGET

A draft of the 2006-07 general-fund budget was distributed; and it was noted that at the next meeting, a tentative budget and assessment roll must be approved for submital to the County.

One question that must be determined is whether or not to add erosion expenses incurred to date to the applicable property-owners tax bills or increase the overall basins SBDD tax to cover erosion expenses. There will be two public hearings required prior to budget approval. Mr. Zimmerman felt the District should consider a \$5-per unit increase, \$2 to be used to reduce line item #1408 (Appropriation of Fund Balance) and \$3 to be used to start a new fund w/flexibility to be used at the Board's discretion for unanticipated expenses.

Mrs. Minnaugh and Mr. Eastman agreed that any assessment for erosion expenses should be made to the basins in which the erosion occurred. On the maintenance-fee increase as suggested by Mr. Zimmerman, Mr. Eastman felt that due to the current situation with just about everything, there are those people who would be harmed even by a minimal increase. Also, he doesn't feel it is fair to do a district-wide increase to secure funds that would be used only by a specific area. It was noted that Mr. Zimmerman's proposal was not limited to a specific area. Even so, Mr. Eastman remained concerned about any future overall funds being used only for work in a specific area.

Mr. Zimmerman moved that at the first public hearing, the Board authorize a \$5-per unit increase as previously specified, second by Mr. McCluskey. It was specified that none of the \$3 per unit to be used for a new special fund will be spent without Board approval. Motion carried unanimously.

With reference to the areas that were damaged during Hurricane Wilma, all agreed to assess each applicable basin for the damages done therein.

PUMP-STATIONS SYSTEMS

While there has been a great deal of rain in recent days, the pump-station systems have worked well.

Mr. Eastman noted that even though C-11 is not a District facility, he is concerned as it is causing flooding problems within parts of SBDD. Mr. Schwartzberg explained that District staff has discussed this with the SFWMD Manager at S-9; and SFWMD has not as yet made a decision re: pumping which is what is causing the problem in certain areas within Basins S-9 and S-10.

In response to a question by Mr. Eastman, Mr. Schwartzberg explained that there is a minor problem at the 13-A Control Structure. We have found that an \$800 modification (plus approximately \$200 in electrical costs) is required in order to be able to control the flow. This modification is in process.

The S-8 Pump Station needs a sensor replacement which will be done under the Data Flow warranty at no charge. Any normal maintenance work to be done to the 13-A Control Structure is also being done under warranty.

Mr. Schwartzberg was asked to contact SFWMD regarding the flooding problem in

certain western areas of SBDD due to their not pumping.

EROSION SURVEYING WORK

Per question by Mr. Eastman, Mr. Schwartzberg responded that while the surveying work has been completed of the damaged lake banks, complete quantities are not yet available.

SOUTHWEST RANCHES EVICTION LETTER

Mr. Eastman questioned under what authority did Mr. Bell send a letter to the Town of Southwest Ranches regarding eviction, as based on discussions with his attorney and that of the Town, information in that letter was incorrect. Mr. Bell responded that in his opinion, the information was correct. Information contained in the Town attorney's letter referenced cases involving renters and not an expired lease which is the case at hand. Mr. Schwartzberg responded that the letter was sent per instructions from him based on what he felt the Board has instructed him to do.

Mr. Eastman said the Board was on notice that Messrs. Schwartzberg and Bell overextended their responsibilities as he felt this action was very improper. Mr. Schwartzberg said that on legal issues where one Board member disagreed, it was his belief that he should follow the advice from the District's legal counsel which is what he did. Mr. Eastman felt that Mr. Bell, while very knowledgeable in most areas, is not qualified to go against the Town's legal counsel, Becker & Poliakoff. Mr. McCluskey referred to action unanimously approved at the last meeting that provided for the action that was taken.

Mr. Zimmerman, for information purposes only, explained State law provisions whereby there is a great difference between renters and a lease in default. Mr. Eastman remained firm in his belief that "severe" actions should be approved by the Board.

MEETING ADJOURNED AT 10:40 P.M.



Tom Gill
Meeting Chairperson

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